

The complaint

Mr P complains that iFAST GLOBAL BANK (iFAST) closed his account without reason. He would like fair compensation for the financial loss, distress, and inconvenience.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I will focus on giving the reasons for my decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so I have reached the following conclusions: -

- I don't doubt the inconvenience to Mr P when he found his account was frozen and subsequently closed with no explanation. He has told us this caused considerable hardship and financial loss. Whilst he hasn't evidenced this in any detail, I don't doubt the freezing and closure of his account would have had some impact on him.
- Mr P has told us his account was frozen after receiving some large incoming payments, but he wasn't given the opportunity to explain what the payments were. iFAST has explained that due to general fraud concerns it tightened up its transaction monitoring processes which is why Mr P's account was automatically frozen when some large payments were made into the account. As the measures iFAST put in place were to protect both the bank and account holders I can't say its process was unreasonable. And its actions were in line with its terms and conditions which I have seen.
- In addition, I have seen an email chain between iFAST and Mr P in which iFAST asked about these transactions. So iFAST did give Mr P the opportunity to explain these payments.
- iFAST's terms and conditions allow it to close accounts without notice in certain situations which is what happened here. I can appreciate Mr P's frustration that iFAST didn't give him a specific reason for closing his account leading him to believe the three payments were the reason for closure. That's not necessarily the case. I have noted, for example, that iFAST queried other payments with Mr P as well the three Mr P referenced. Ultimately, it's a commercial decision for iFAST as to who it provides banking services to, it's not a decision for us to interfere with. But from what I have seen I feel iFAST did carefully consider Mr P's account before taking the decision to close it.
- Given I don't find iFAST has done anything wrong I can't reasonably ask it to compensate Mr P in the way he would like.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 18 March 2025.

Bridget Makins
Ombudsman