

## **The complaint**

Mr C complains J.P. Morgan Europe Limited, trading as Chase, blocked and closed his account without explanation. Mr C is also unhappy with how long it took for his funds to be returned.

To keep things simple, I will mainly refer to “Chase” in my decision. Mr C says Chase’s actions have caused him substantive and significant distress, inconvenience, and detriment to his credit file. To put things right, he wants Chase to pay him appropriate compensation.

## **What happened**

The details of this complaint are well known by both parties, so I won’t repeat them again here in detail. Instead, I’ll focus on setting out some of the key facts and on giving my reasons for my decision.

After receiving a fraud report from another financial institution in January 2024, Chase blocked Mr C’s account. Chase asked Mr C for proof of entitlement to this payment, and he sent it information. Mr C said he was making a purchase for a friend and that they had now retracted their fraud allegation against him. Mr C also provided a bank statement from his friend’s account as further proof of his entitlement. Chase continued to restrict Mr C’s account whilst it investigated.

Unhappy with Chase’s actions, Mr C complained. Chase didn’t uphold Mr C’s complaint. In summary, it said that if it’s suspected the account is being used in breach of Chase’s policies, then it withholds the right to restrict it and investigate. Chase added that this may mean closing the account and these actions were in line with the terms and conditions Mr C agreed to when opening the account.

Mr C referred his complaint to this service. Mr C’s account was closed in March 2024 and his funds of around £128 returned to him. One of our Investigator’s then looked into Mr C’s complaint. They recommended it wasn’t upheld. In summary, they made the following key findings:

- Chase restricted Mr C’s account in line with its obligations.
- Based on the information available, Chase followed its terms and conditions correctly when closing Mr C’s account.

Mr C didn’t agree with what our Investigator said. He reiterated that the fraud claim was falsely made against him and was retracted – so he hasn’t done anything wrong. Mr C also emphasised the significant impact Chase’s actions have had on his mental and financial health. As there was no agreement, this complaint has been passed to me to decide.

## **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 decided not to uphold this complaint. I know Mr C feels strongly about his complaint, and I don't undervalue in any way the significant impact he has said Chase's actions have had on him. So, I'll explain why.

Banks in the UK, like Chase, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means Chase needs to restrict, or in some cases go as far as closing, customers' accounts.

Chase has explained and provided me with supporting evidence as to why it restricted Mr C's account. Mr C is aware that Chase had received a fraud report against him. Based on what I've seen, I'm satisfied Chase acted in line with its obligations when restricting Mr C's account.

Chase is entitled to close an account just as a customer may close an account with it. But before Chase closes an account, it must do so in a way, which complies with the terms and conditions of the account. The terms and conditions of the account, which Chase and Mr C had to comply with, say that it could close the account by giving him at least two months' notice. And in certain circumstances it can close an account immediately or with less notice.

Chase restricted and then closed Mr C's account with immediate effect. Having reviewed Chase's explanation and supporting evidence, I'm satisfied it did so in line with its terms and conditions. It's understandable that Mr C may want a detailed explanation. But Chase is under no obligation to do so. I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Chase has provided is information I consider should be kept confidential.

Mr C says that his credit file has been impacted by what Chase did. The evidence he has sent in doesn't really support this and I'm not sure why the closure would have done this given he didn't have a debt to pay Chase, which had run into default. In any event, as I don't think Chase did anything wrong in restricting and closing his account, I don't need to look into this point further.

Mr C has said that Chase's actions have led to acute impact on his mental health, falling behind with his rent, and other significant distress and inconvenience. But as I don't think Chase had done anything wrong, I see no basis to make any award of compensation. I also don't think Chase caused any undue delay with returning Mr C's funds. I also note the rental payment evidence Mr C has sent to this service isn't addressed to him.

### **My final decision**

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 February 2025.

Ketan Nagla  
**Ombudsman**