

## **The complaint**

R has complained that Clearbank Limited (“Tide”) asked for documents that R was unable to provide when processing R’s application to open an account.

A director of R, Mr S, says that a member of staff at Tide was rude to him during a phone call.

Mr S says that Tide’s refusal to approve R’s account application led to R not receiving cashback from an offer.

## **What happened**

R applied to open an account with Tide, after R was incorporated, after a referral from a third-party. Tide received the application and on 26 July 2024 requested R provide further documentation to complete the application process. This included asking R to provide *one* of the following:

- R’s website address
- R’s social media presence
- Evidence of R’s use of an e-commerce platform
- Certifications of professional registration
- R’s bank statements showing business transactions
- Third party contracts
- Invoices
- Evidence of R’s third-party contracts and invoices

As Tide had not received this information, it sent a chaser to R on 29 July 2024. Mr S responded and explained that as R had only just been incorporated, it didn’t have the requested documentation.

During a phone call with Tide on 29 July 2024, Mr S explained again that he was unable to provide this information as R had only just been incorporated. Mr S found the information being requested was unnecessary and the member of staff to be rude resulting in the call being ended.

Unhappy with how matters had been handled, Mr S raised a complaint with Tide. Tide issued its final response to the complaint on 2 August 2024 and partly upheld the complaint. In summary, Tide confirmed that it needed to ask for the documents so that it could complete its internal compliance procedures. It did however agree that the phone call had not gone as well as it could’ve and agreed that the member of staff should’ve ended the conversation sooner.

Unhappy with Tide’s response, Mr S referred R’s complaint to this service. One of our investigators assessed the complaint but they didn’t uphold the complaint.

As Mr S didn’t agree with the investigator’s conclusions, the matter was referred for an ombudsman’s 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 considered everything, I don't uphold this complaint, for broadly the same reasons that the investigator gave. I will explain why.

Mr S has complained that it was unreasonable for Tide to request the documentation that it did. Mr S says that R had only just been set up, hadn't started trading yet, and so it was impossible for Mr S to provide the documentation that Tide had required.

In response to this point, Tide has said that there are some instances in which it doesn't feel confident in offering its services to a freshly started up business with no documentation. And Tide was not obliged to provide R with an account, before it had started trading.

In the circumstances, I can understand Mr S's frustration with the situation. He'd only just set up R and so he'd not had an opportunity to create or obtain many of the things that Tide had asked for. I also recognise that, to start trading, R would need an account for payments to be paid into and out of. But, at the same time, Tide is not obliged to provide an account to every newly created company that applies for an account. And it is a reasonable exercise of Tide's commercial judgement to decide whether to provide an account to a company before it has started trading – or at least before it is able to provide the documentation that it asked R to provide evidence of. Looking at the list of items Tide wanted R to provide evidence of, I can't say that what it was requesting was particularly unusual or unreasonable, even for a newly created business. I say this because when approving applications, Tide is required to carry out checks to ensure that the account holder is who they say they are and that they are a legitimate business.

So taking everything into account, I'm unable to say that Tide was being unfair or unreasonable in deciding not to approve R's application for an account, without seeing one of the items on the list.

Mr S has complained that R didn't receive a sign-up bonus. However, the sign-up bonus, which was dependent on R opening an account with Tide, was offered by a third party, and not by Tide. As such, I can't reasonably hold Tide responsible for R not receiving a sign-up bonus that was offered by a third party – when I can't see that Tide has acted unfairly or unreasonably.

Finally, I understand that Mr S is particularly unhappy with how a phone call he had with Tide went. Indeed, Tide acknowledge that the call didn't go as it should've, and it concedes that it's staff member should've ended the call rather than allow it to continue.

Having listened to the call, I would not say that the member of staff was being rude to Mr S - the member of staff was trying to explain why Tide had asked for additional information - albeit for reasons that Mr S says were based on wrong information. And it's clear from the call that Mr S didn't agree with what the member of staff was saying. I agree that the call should've been ended sooner than it was. But overall, I don't think that, because Mr S disagreed with what the member of Tide was saying, or that because the call went on for longer than it needed to, this means that compensation is warranted here. Furthermore, I should point out that, as this complaint is being brought by a private limited company, I can't award any compensation for distress that Mr S may've personally experienced, as R is the eligible complainant here, not Mr S. And companies themselves cannot experience distress.

So in summary, I can fully appreciate why Mr S is unhappy that Tide asked for the information that it did, particularly as he'd been referred to Tide by a third party that specialises in incorporating new companies. But I can't say that Tide acted unfairly or unreasonably in this matter. Ultimately, Tide was entitled to ask for the information that it did, and I can't say that it was being unreasonable in not approving R's application for an account, without being provided with the requested information.

### **My final decision**

Because of the reasons given above, I don't uphold this complaint.

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

Thomas White  
**Ombudsman**