

The complaint

Mr R complains that J. P. Morgan Europe Limited trading as Chase requested information about his funds and then closed his account.

What happened

Mr R had an account with Chase. In 2024, Chase requested information from Mr R as part of its “Know Your Customer” process. Mr R provided information about the source of funds in the account. Chase then asked for further details of where the funds would come from – which Mr R provided. But Chase then asked Mr R for details of the source of his wealth more widely – specifically, it wanted him to confirm all sources that contributed more than 10% of his wealth, supported by evidence, and further details of the ultimate source of the funds he’d paid into the account.

Mr R thinks this is overly intrusive and unnecessary. He complained to Chase and then referred the complaint to us.

Our investigator looked at this but didn’t think Chase had acted unfairly.

Mr R doesn’t agree with the investigator.

The complaint has been referred 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.

As a regulated financial business, Chase is required by law to understand how customers fund their accounts. The 2017 Money Laundering Regulations (as amended) means that Chase is required to understand the source of its customers’ funds and, where relevant, the source of their wealth. It is also required to apply ongoing monitoring to ensure transactions are consistent with what it knows about its customers.

In order to do this, Chase is required to design its own policies, controls and procedures, which must include the application of customer due diligence measures. These measures will depend on their own assessment of risk and what they know about their own business and their customers. If a business cannot apply these due diligence measures, then it won’t be able to carry out a customer’s instructions and may be required to close an account.

I’ve thought about what this meant in the circumstances of Mr R’s complaint.

In Mr R’s case, Chase asked Mr R for information about the source of his wealth. In response, Mr R provided information about two payments into the account – one was the proceeds of sale of a property, and the other was a lump sum pension withdrawal. Following this, Chase asked for further details about the source of Mr R’s wealth and the ultimate origin of funds used for his investments. Mr R didn’t provide this information. And so Chase closed the account.

Mr R has explained that he's unwilling to supply this information as it breaches his privacy. It'd mean providing Chase with details of all the investments he holds. And he says other financial institutions do not ask him about his holdings with other financial institutions.

I recognise that Mr R feels strongly that Chase's requests are unreasonable. I appreciate Mr R thinks such checks weren't necessary in his specific case. Nonetheless, based on what I've seen, I'm satisfied Chase was acting in line with its legal and regulatory obligations when it asked Mr R for this information. I'm also satisfied the relevant regulations and regulatory standards allow Chase to establish the source of Mr R's total wealth, and not just the funds involved in the business relationship with Chase. Mr R says that other financial institutions he has relationships with haven't asked for this information. But ultimately each financial business will set its own policies, controls and procedures based on the circumstances of their own business – this doesn't mean a mistake has been made here. While it wouldn't be appropriate for me to share the precise details of Chase's internal risk appetite or policies, I'm satisfied that these were routine checks and I can't say they were applied to Mr R unfairly.

I note that Chase has now closed Mr R's account. Based on what I've seen, I'm satisfied Chase was acting in line with its obligations and the relevant terms and conditions when it closed Mr R's account. Chase is required to carry out KYC checks and as Mr R refused to provide the information it had requested, I can't say it was unfair for Chase to have then closed Mr R's account.

Finally, Chase has offered to pay Mr R £100 for poor service he received. In particular, it says a staff member wrongly informed Mr R that an email it sent asking him for further information wasn't genuine. It thinks it could also have advised Mr R in the in-app chat that it was going to send him this message. In all the circumstances I think this is a fair resolution for these matters.

My final decision

My final decision is that J. P. Morgan Europe Limited (trading as Chase)'s offer of £100 is fair. It should pay this to Mr R if it hasn't already. I make no further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 21 November 2025.

Rebecca Hardman
Ombudsman