

The complaint

Mr E complains that J.P. Morgan Europe Limited (which trades in this case under its Chase brand) blocked and then closed his accounts without giving him notice that it was doing so and without explaining its reasons.

What happened

Mr E held a current and savings account with Chase.

On or around 12 December 2024 Chase decided to carry out a review of Mr E's accounts. It also decided to block the accounts while it did so. It did not tell Mr E what triggered the review, but he believes it was linked to cash machine withdrawals made while he was abroad.

Chase completed its review on or around 14 January 2025. It contacted Mr E on the same day to tell him that it was closing the accounts. It returned funds held to the credit of the accounts on 20 January 2025, following which they were closed.

Mr E complained about what had happened and asked for account statements. Chase would not provide him with the reasons for its actions. It sent statements by post, but also sent Mr E messages saying he could view them in bank's app. It later acknowledged that it had misled Mr E into thinking he would receive calls to discuss the position and that he did not have access to the app once the accounts had been closed. It paid him £100 in recognition of those matters, but said that it had acted properly in blocking and closing the accounts.

Mr E referred the matter to this service, where one of our investigators considered what had happened. He thought that Chase had acted fairly, and so did not recommend that the complaint be upheld. Mr E did not agree with the investigator's assessment and asked that an ombudsman review the case.

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.

In making its submissions, Chase asked that some of the evidence and arguments which it submitted be kept confidential and not be disclosed to Mr E. This service can accept evidence in confidence where it considers it appropriate to do so (DISP3.5.9(2)R). Having considered carefully the nature of the evidence in this case, I am satisfied that it is appropriate to accept some of it in confidence.

Banks have various legal and regulatory obligations, some of which are to ensure that the information they hold about their customers is accurate and that they understand what accounts are being used for. In order to meet those obligations, banks may sometimes need to review individual transactions or the wider use of accounts. And in some cases it may be appropriate to restrict or block accounts while a review is carried out.

I am satisfied that Chase acted appropriately in this case, both in deciding to review Mr E's accounts and in restricting their use while it did so.

It is generally for banks to decide whether to provide, or to continue to provide, account services to any particular customer. They can exercise their commercial discretion in such matters and, as long as that discretion is exercised legitimately, this service won't usually intervene. I have considered that issue here, and am satisfied that Chase's decision to block and then to close Mr E's accounts was a legitimate one. Chase did not have to tell Mr E exactly why it had decided to close his accounts.

Banks should however give reasonable notice before closing an account. What is reasonable depends on the circumstances, but we generally take the view that two months' notice is reasonable for a personal account. There may however be circumstances where a different notice period is reasonable. That period may be less or more than two months, and in some cases immediate closure may be appropriate. In this case, I agree with the investigator that it was reasonable of the bank to close Mr E's accounts with immediate effect, in line with the account terms.

Chase did identify some errors in its handling of the matter – promising to contact Mr E and then not doing so, and providing account statements in a way which meant that Mr E could not access them. I am satisfied however that the compensation of £100 which it offered was sufficient in the circumstances, and I do not believe I should require the bank to pay any more.

My final decision

For these reasons, my final decision is that I do not uphold Mr E's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 4 December 2025.

Mike Ingram
Ombudsman