

The complaint

Mr B is unhappy J.P. Morgan Europe Limited trading as Chase (“Chase”) closed his account without notice and would not give him a reason for the closure.

What happened

Chase wrote to Mr B on 17 September 2024 to notify him his accounts would be closed. Mr B had current and savings accounts with Chase. The closures came to Mr B’s attention on 19 September 2024 when he received a notification through his banking app to say his accounts had been closed.

Mr B contacted Chase to find out why they were closing his accounts, however, Chase wasn’t willing to disclose the exact reason. Instead, it said the closures were in line with the terms and conditions and their legal and regulatory obligations.

Chase said it contacted Mr B in May 2024 following a payment he attempted to make to a foreign embassy; I will refer to the country in question as D. They sent evidence to show it sent him messages through the app asking him to provide details of this transaction and whether he intended to travel to D. They also provided evidence they’d tried to call him numerous times in May and July to ask him these questions. Because they didn’t receive a reply to their queries, it took the decision to close the accounts.

Mr B brought his complaint to our service. Our investigator didn’t uphold the complaint. She was satisfied Chase had closed the accounts fairly and in line with the terms and conditions. They had shown evidence they’d tried to contact Mr B prior to the closure to ask questions about the transaction to D’s embassy. This information was required to ensure it was meeting its legal and regulatory obligations and so when no response was received, it closed the accounts in line with the terms and conditions.

Mr B didn’t agree with the outcome. He noted the payment to D’s embassy never went through, so questioned why Chase still closed the accounts. He also said D’s embassy isn’t sanctioned by the UK and given Chase is a UK bank, they should be following UK sanctions. Finally, he said he never received any of the in-app messages Chase says they sent and had only one missed call from them in July 2024.

Because Mr B disagreed, the 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.

Chase has a wide range of legal and regulatory obligations they must meet when providing account services to their customers. These obligations are ongoing so don’t just apply at account opening stage. This includes ensuring they aren’t processing payments that breach any UK or international sanctions or countermeasures. To comply with these

obligations, they may need to review accounts and the transactions taking place on them. If Chase didn't do this, they could risk serious sanction.

Chase has explained it wanted to ask Mr B questions about the transaction he made to D's embassy. D is subject to UK and international sanctions and has been designated a high-risk country by the Financial Action Task Force, so I don't find it unreasonable they wanted an explanation from Mr B as to the nature of this payment and the wider circumstances surrounding it.

Because Chase weren't able to reach Mr B and get the explanation they needed to satisfy themselves they were adhering to their legal and regulatory obligations, it took the decision to close his accounts.

Chase is entitled to decide who they do business with, just as Mr B can decide who he wants to bank with. But it should be noted, that if a financial institution chooses to close an account, they should do so in line with the terms and conditions of the account and their reasons should be legitimate, fair and non-discriminatory.

The terms and conditions allow Chase to close an account immediately if a customer has failed to provide them with adequate information they've reasonably requested to comply with their legal and regulatory obligations. Mr B has maintained he didn't receive any of the messages or calls from Chase where they were asking him about the payment to D. It's unclear why this may have been, but I'm satisfied with what Chase has provided to evidence it did in fact attempt to contact him on several occasions, both via the phone and via the in-app chat function.

I've taken into account what Mr B said about the fact the transaction never went through and D's embassy not being sanctioned in the UK. However, neither of these mean Chase acted incorrectly in closing Mr B's accounts. There are wider obligations Chase must adhere to. The fact Mr B didn't respond to their questions means Chase couldn't satisfy themselves they would be adhering to their legal and regulatory obligations by continuing to allow Mr B to have an account.

So, while I know it will come as a disappointment to Mr B, I can't say Chase's decision to close the account was incorrect or unfair. I therefore won't be asking them to do anything.

My final decision

My final decision is that I don't uphold Mr B's complaint against J.P. Morgan Europe Limited trading as Chase.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 23 September 2025.

Sarah Brimacombe
Ombudsman