

The complaint

Mr G complains that Cynergy Bank Plc closed his accounts without providing a proper explanation.

What happened

Mr G had two savings accounts with Cynergy.

Mr G has explained that he is a UK citizen of Russian descent and opened accounts with Cynergy to take advantage of the interest rates it offered to savers.

In August 2024, Mr G contacted Cynergy and asked whether it would be possible to receive payments from Russia into a Euro account that Cynergy offered. Cynergy told Mr G that none of its accounts were able to receive payments from Russia.

Following this, Cynergy reviewed Mr G's accounts and decided to close Mr G's accounts. Cynergy wrote to him on 14 November 2024; to let him know he had 90 days to make alternative banking arrangements.

Mr G complained to Cynergy and asked the bank to provide an explanation why it no longer wanted him as a customer. He said the closure of his accounts had caused him a good deal of trouble and upset. He said he had planned to invest just over £80,000 into his accounts to take advantage of the interest rates they offered, so he has now lost out financially. Mr G said he believes Cynergy discriminated against him due to his Russian heritage.

In response, Cynergy said it hadn't done anything wrong and had closed the accounts in line with the account terms and conditions and bank policy after completing a review.

Mr G remained unhappy and brought his complaint to our service where one of our investigator's looked into what had happened. The investigator didn't uphold Mr G's complaint.

Mr G didn't accept the investigator's view. He said he wants to know why Cynergy closed his accounts. He maintains Cynergy have discriminated against him by closing his accounts and he's lost out. To put things right he wants the accounts reopened.

As no agreement could be reached the matter has come 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.

The summary of events above is brief, and in far less detail than both parties have given. I don't intend any discourtesy in taking this approach. Instead, I've focused on what I consider

to be the key issues involved here. The rules of our service – The Dispute Resolution (DISP) rules in the Financial Conduct Authority’s handbook – provide me the discretion to do this. This is to reflect the informal nature of our service, as an alternative to the courts. If I haven’t mentioned something in particular either party has submitted, this isn’t because I’ve not considered it or taken it on board. Rather I do not feel I need to comment on it to reach a fair and reasonable outcome.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It’s then for me to decide whether it’s fair to rely on evidence that only one party has seen. It’s not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we’ll then decide if it’s fair to rely on it

DISP 3.5.9R states:

“The ombudsman may:

(1) exclude evidence that would otherwise be admissible in a court or include evidence that would not be admissible in a court;

(2) accept information in confidence (so that only an edited version, summary or description is disclosed to the other party) where he considers it appropriate;

Here, the information is sensitive and on balance I don’t believe it should be disclosed. But it’s also clearly material to the issue of whether Cynergy has treated Mr G fairly. So, I’m persuaded I should take it into account when deciding the outcome of the complaint. I’m sorry to Mr G that I won’t be able to share a significant amount of detail. But I would assure him that I’ve considered everything carefully.

I’ve considered whether Cynergy acted fairly when it closed Mr G’s accounts. It’s generally for banks and financial businesses to decide whether or not they want to provide, or to continue to provide, account facilities to any particular customer. Unless there’s a very good reason to do so, this service won’t usually say that a bank or financial business must keep customer or require it to compensate a customer who has had their account closed.

As long as banks and financial businesses reach their decisions fairly, it doesn’t breach law or regulations and is in keeping with the terms and conditions of the account, then this service won’t usually intervene. But they shouldn’t decline to continue to provide account services without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

Cynergy have relied on the terms and conditions when closing Mr G’s accounts. I’ve reviewed the terms, and they explain that Cynergy can close an account for any reason by giving two months’ notice. Here Cynergy provided Mr G with 90 days’ notice, which is more than the full notice period. So, I’m satisfied that it has complied with this part.

I’ve then gone on to consider whether Cynergy’s reasons for closing the accounts was fair. In doing so, I appreciate that Cynergy is entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Cynergy should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly.

After considering all the available evidence and circumstances, I haven't seen any evidence that would lead me to conclude Cynergy closed Mr G's accounts for an improper reason. There's nothing that I've seen, that suggests it amounted to anything other than a legitimate exercise of its commercial discretion. That in turn means it can choose who it has a customer relationship with. This is a decision that I can't interfere with as it is a commercial business decision. So, it was entitled to close the accounts as it's already done. And I won't be directing Cynergy to reopen Mr G's accounts.

I understand of course why Mr G wants to know the exact reasons behind Cynergy's decision to close his account. It can't be pleasant being told you are no longer wanted as a customer. But Cynergy doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr G the reasons behind the account closure, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr G this information. And it wouldn't be appropriate for me to require it to do so now.

I can see that Mr G finds it frustrating that in response to his DSAR he received information which suggests that there was some discussion and questioning amongst Cynergy's review team about the decision to close his accounts. And that information had been redacted. So, he believes Cynergy are hiding information from him. And the information provided to him does not answer his questions about why his accounts were closed.

Whilst I acknowledge Mr G's pursuit to get absolute clarity, about why Cynergy ultimately decided to close his account, and that the comments are unhelpful, Cynergy do not have to be explicit in their reason, so, I find no error was made here.

Moving on to the DSAR, I should explain that it's not the role of our service to decide whether or not a business has breached data protection laws, which includes the content of the information disclosed in response to a DSAR - that's the role of the Information Commissioners Office.

As I said above, it's not within my remit to look into the content of the DSAR response. But in terms of Cynergy not sharing certain information or documentation with Mr G in general, what I will say is that I don't think Cynergy is under any obligation to tell a customer what triggers a review or what leads to a closure of their account.

Furthermore, banks may have documents which are confidential for a number of reasons. Cynergy said that it wasn't able to share any information which related to its investigation and the account closure due to it being sensitive. I think this is fair and reasonable in the circumstances. As our investigator said this information will have been shared with us and though I appreciate Mr G may find this frustrating I hope it gives him some reassurance that someone independent has also considered it.

Discrimination

Mr G says he believes Cynergy closed his accounts due to his Russian heritage. I note that Mr G did ask Cynergy if he was able to accept payments from Russia if he opened another account. But Cynergy told Mr G that none of their accounts would accept payments from Russia.

Whilst I appreciate this is Mr G's perspective, it's not my role to decide whether discrimination has taken place – only the courts have the power to decide this. My role is to review whether Cynergy treated Mr G fairly and its actions were reasonable. In doing so, I must take account of all relevant laws and regulations. I'm required to consider a number of factors in order to decide Mr G's complaint in accordance with what I think is fair and

reasonable in all the circumstances of this complaint. Part of this has meant considering the provisions of the Equality Act 2010.

Having looked at all the evidence, I haven't seen anything to show that Cynergy would have treated another customer with similar circumstances any differently than Mr G. After looking at all the evidence, I've not seen anything to suggest Cynergy treated Mr G unfairly when it decided to close his accounts.

I should add that Cynergy says it made a commercial decision not to accept transfers to and from Russia, which was a business decision it was entitled to make. So, it says it hasn't treated Mr G unfairly based on his nationality.

Cynergy can make commercial decisions based on its own risk criteria. I also note Cynergy has important legal and regulatory obligations in ensuring no UK, or other international sanctions, might be breached. It's well known that Russia was subject to substantive and rapidly evolving international sanctions in 2022. So, limiting payments from certain countries can mitigate the impact.

Cynergy's decision to support or block payments from or to a country is based on a calculated risk-based analysis. Such reasons would include the risk of ongoing sanction action, but this is not an exclusive factor. As a commercial entity, Cynergy is entitled to make such decision on whether it supports payments to or from a bank in a country. There is nothing within Cynergy's terms and conditions which says that a customer is entitled to transact freely with any dedicated country.

Finally, I note that Mr G has indicated that he may wish to pursue the matter through other means, I can't advise him on how to go about doing that, but my decision brings to an end what we – as an informal dispute resolution service can do for him.

In summary, I recognise how strongly Mr G feels about what's happened. I don't doubt it has been a frustrating and worrying time. So, I realise Mr G will be disappointed by my decision. But overall, based on the evidence I've seen, I can't say Cynergy have acted unreasonably and treated Mr G unfairly when it closed his accounts.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 24 November 2025.

Sharon Kerrison
Ombudsman