

The complaint

Mr H complains J.P. Morgan Europe Limited trading as Chase (Chase) restricted access to his account. And he'd like compensation for the impact caused.

What happened

Mr H has explained that he has a serious health condition and travelled to Iran to receive medical treatment. Mr H has said he uses his account to pay bills via direct debit and standing order.

In May 2025, Chase restricted Mr H's account to comply with its legal and regulatory obligations after it detected that he was using a Virtual Private Network (VPN) to access his account from Iran, which is a sanctioned country and against Chase's terms and conditions.

Chase reached out to Mr H to ask him about his location and his use of the VPN. In response Mr H told Chase he was in Iran for medical treatment and said he always accessed his account using a VPN regardless of his location. Chase told Mr H that to remove the restriction from his account, Mr H needed to log in to his account from a non-sanctioned country without using a VPN. Chase also asked Mr H to provide it with copies of his travel documents showing his travel movements.

Mr H refused to provide Chase his travel documents and pointed out that he is a UK citizen. He said the block on his account was unfair and based on his race. He told Chase that the block on his account was causing him a lot of problems paying his bills due to his direct debits and standing orders not leaving his account. And that Chase hadn't taken his ill health into account.

In response, Chase is hadn't done anything wrong and had blocked Mr H's account in line with the terms and conditions of the account. Chase also said it had taken Mr H's circumstances into account and allowed him extra time to comply with its request so that it could remove the block from his account. But Mr H hadn't complied with its requests. So, it wasn't willing to remove the restrictions on Mr H's account.

Mr H remained unhappy and brought his complaint to our service where one of our investigators looked into what had happened.

As part of their review the investigator asked Mr H to provide his travel documents and explain why he hadn't given Chase a copy of the documents and complied with their request to log in from a non-sanctioned country. Mr H said he was a UK citizen and that he was in and out of the UK. He refused to provide his documents. And maintained Chase had treated him differently based on his race.

The investigator didn't uphold Mr H's complaint. They thought Chase had acted fairly by restricting Mr H's account.

Mr H didn't accept our investigator's conclusion. In summary he said:

- Chase froze his account and obstructed his standing orders and direct debits without lawful basis.
- Accessing an account from abroad does not equate to a sanctions breach. The Financial Ombudsman should not endorse Chase's arbitrary seizure of customer funds.
- The sanctions regime applies to transactions, not mere login activity.
- The blanket freeze of his account is excessive, punitive, and a breach of the bank's duty to treat customers fairly.
- Chase imposed unreasonable, disproportionate, and unnecessary conditions which no fair or lawful process requires. This is an evasion of their contractual obligations.
- The dismissal of his allegation of racial discrimination with the line "only a court can decide" is unacceptable. While our service cannot rule on Equality Act breaches, it is absolutely within our remit to assess whether the treatment was unfair and discriminatory in practice. The investigator has ignored this completely.
- The impact on him has been severe. Essential payments have been blocked, his creditworthiness undermined, and his financial security disrupted.
- Due to his medical condition and treatment, he is unable to travel and comply with Chase's request to log in from a non-sanctioned country.

As Mr H, didn't accept our investigator's view it's been passed to me for a 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.

I'm very aware that I've summarised Mr H's complaint points. And I'm not going to respond to every single point made by him. No discourtesy is intended by me in taking this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome. But I want to assure Mr H that I have read all his submissions.

Firstly, I'd like to make clear that this service isn't a regulatory body or Court of law and doesn't operate as such. This means that it isn't within my remit to decide whether Chase have acted in a non-regulatory way or unlawful way. Our service is an informal alternative to the courts. And I can't make a finding as to whether the law has been broken, and I don't need to in order to decide this complaint.

I believe it's also important to explain that it's not the role of this service to supervise, regulate or impose fines on any business. It's also not our role to ask a business to alter its procedures or enforce changes to policies. That's the role of the regulator, The Financial Conduct Authority. My remit here is to decide whether I think Chase acted fairly and

reasonably when applying those policies and procedures in the individual circumstances of Mr H's complaint.

Further, it's important to note that this service cannot make a legal finding the Equality Act has been breached or that Chase's actions amounted to race discrimination, as Mr H has suggested, the Act makes clear that this is a matter for the courts. However, as part of my investigation I do take the law, best practice and industry guidance into account so I can make a finding on whether I think Mr H has been treated fairly and reasonably. If Mr H wants a decision that Chase has breached the Act, then he'd need to go to Court.

Although I appreciate that Mr H is unhappy that restrictions were placed on his account businesses have a legal obligation to protect the security of their accounts and to comply with various laws and regulations. Mr H agreed to this term as a customer and it's a reasonable term.

Having looked at all the evidence, I'm satisfied that Chase was acting in line with their legal and regulatory obligations and in accordance with the terms and conditions of the account when it restricted Mr H's account. I've also checked the terms and conditions of Mr H's account. In summary, they state Chase will restrict the use of their accounts in several countries including Iran.

Chase can block Mr H's use of any payment device if they believe it's necessary for security concerns and to comply with its legal and regulatory obligations. Given Mr H was in Iran and from looking at the data provided by Chase, I'm satisfied that Chase have evidence they had legitimate concerns here that they might breach their legal and regulatory obligations. Therefore, I don't think Chase did anything wrong when it blocked Mr H's account and didn't allow him access to his funds.

Mr H has argued that the restriction of his bank account caused him financial hardship. However, for the reasons I've outlined above I'm satisfied that Chase acted fairly in restricting access to Mr H's account. I am also satisfied that Chase offered Mr H a resolution and allowed him time to do what it required to remove the block. I note Mr H has said he is in and out of the UK on a regular basis so I see no reason why Mr H could not comply with Chase's request in the future.

For the reasons I've outlined above I won't be asking Chase to do anything further here.

I note that Mr H 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.

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 H to accept or reject my decision before 12 February 2026.

Sharon Kerrison
Ombudsman