

The complaint

Mr S is unhappy J.P. Morgan Europe Limited trading as Chase closed his account and have withheld some of the money contained within it.

What happened

Chase blocked Mr S's account on 9 October 2024 to carry out a review. Following the review, Chase wrote to Mr S on 2 January 2025 explaining they would be closing his accounts with immediate effect.

Following the closure Chase returned £1,228.31, but Mr S has explained this wasn't the full balance of the accounts. He is unhappy his accounts were blocked and that Chase haven't returned the full balance to him following the closure.

Mr S referred his complaint to our service. He explained the money in the account was made up of contributions from people for a wedding gift for his family member. Mr S said Chase's actions ruined the wedding, his holiday and caused him embarrassment and the fact they haven't returned the full amount has left him in financial difficulties.

Our investigator asked Mr S to clarify what the payments into his account were for and supply evidence to show he was entitled to the funds that Chase haven't returned to him. Initially Mr S maintained the funds were what he'd compiled from different people for his family member's wedding gift. But following our investigator supplying him with a copy of his statements and listing specific transactions, he said that through running his business he'd often have a surplus of Nigerian Naira which he sold to his close family and friends in exchange for sterling. Our investigator asked why a business transaction was going through his personal account to which he explained that because they were his family and friends, they already had his personal account details so just used that account.

Mr S then told our investigator that the money wasn't from his friends and family and had instead been paid to him following an associate of his asking him to sell his Naira which would then be exchanged into USDT. Mr S said it was his associate that had contact with the senders of the money and had asked them to pay him.

Our investigator didn't uphold the complaint. He was satisfied Chase was entitled to block, review and close Mr S's account in order to comply with their legal and regulatory obligations. He pointed out that Mr S had given multiple different explanations around the source of the funds in his account and so he wasn't persuaded he'd shown his entitlement to them. Given this, he was satisfied Chase had acted fairly and returned all the money he was entitled to.

Mr S disagreed explaining that by law a business has to give at least 30 days' notice to close an account unless they suspect fraud, money laundering or a breach of the contract. His account was closed immediately, and he's never been given a reason so assumes it's because Chase suspects illegal activity, which he refutes.

Mr S went onto say that when our investigator originally asked about the transactions, he didn't have sight of his statements as his account had been blocked. So he answered the

best he could from memory. He reiterated the money in his account was mostly from the sale of Niara to his friends and family and that he'd provided proof of this which our investigator didn't accept.

Mr S says he is now in debt as a result of Chase withholding his money and can't pay back innocent third parties. He explained he had outstanding transactions with these people when his account was blocked and wasn't able to complete the sale of the Niara.

Because Mr S disagreed his 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. This includes monitoring accounts, knowing their customers and verifying the source and purpose of funds moving through accounts. These obligations are ongoing so don't just apply at account opening stage. If Chase didn't do this, they could risk serious sanction.

To comply with these obligations, Chase may need to block an account whilst a review takes place. So, while I accept the block caused Mr S inconvenience, I find Chase acted fairly and had no obligation to tell him beforehand that they were going to apply a block to his accounts.

Sometimes reviews will lead to accounts being closed, as is the case with Mr S's accounts. Chase are entitled to decide who they do business with, just as Mr S 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. And having reviewed what Chase has said, I'm satisfied it was entitled to close Mr S's accounts and did so in line with the terms and conditions and its legal and regulatory obligations.

I appreciate Mr S wants to know the reason Chase blocked and closed his accounts. I know this will be disappointing to Mr S but I'm satisfied Chase doesn't have to share their reason for blocking and closing his accounts. This type of information is often commercially sensitive. Chase does however have to share it with our service, so we can ensure it is acting correctly. Our rules allow us to accept evidence in confidence and on considering the information Chase has provided, I find it wouldn't be appropriate for me to share their reasons with Mr S, for the same reason as above. But I hope that it helps Mr S to know that someone impartial and independent has looked into his concerns.

The crux of Mr S's complaint is that Chase haven't returned all the money to him that was in his accounts at the time of the block and subsequent closure. I can see this is the case. I've not needed to reach a finding on whether the actions Chase took with Mr S's money were correct or not. Because having weighed up all the evidence from Mr S and Chase, I'm not persuaded Mr S is entitled to the money in the account. Therefore, I won't be recommending Chase return the remaining money to him.

We asked Mr S to demonstrate his entitlement to the money by providing an explanation and any supplementary evidence. However, he has given various versions of events as to where the money in his account came from and hasn't provided sufficient physical evidence to back up his explanations. For example, he stated that he sold Niara to friends and family, but then said he didn't know the people who he was selling the Niara too, as it was being done

through an associate to be exchanged into USTD. I'm satisfied he had sight of his statements by the time he gave these explanations and knew which transactions he needed to evidence but still gave contradictory explanations. In addition, the evidence he supplied didn't show the purpose of the transactions. I therefore don't find his version of events, or the evidence he's provided to be sufficient or plausible. It follows that I'm not persuaded he is entitled to the remaining money.

With this in mind, I won't be asking Chase to take any further action.

My final decision

My final decision is that I don't uphold Mr S'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 S to accept or reject my decision before 29 October 2025.

Sarah Brimacombe
Ombudsman