

**Ombudsman determination**

**CIFO Reference Number: 16-000449**

**Complainant: [The complainant]**

**Respondent: [Bank C]**

It is the policy of the Channel Islands Financial Ombudsman (CIFO) not to name or identify complainants in any published documents. Any copy of this determination made available in any way to any person other than the complainant or the respondent must not include the identity of the complainant or any information that might reveal their identity.<sup>1</sup>

[The complainant] complained about the decision taken by [Bank C] to close her bank accounts and that of her daughter.

**Background**

On 21 July 2016 [Bank C] provided [the complainant] with 60 days' notice that her account, and that of her daughter, would be closed. [Bank C] did not provide reasons for these closures other than saying it was a "commercial decision". [Bank C] subsequently closed the accounts on 11 November 2016.

[The complainant] wanted to find more information about the reasons behind the closures. [The complainant] considered that she had done nothing wrong in the operation of her account and [Bank C] had acted on representations made to the bank by her ex-husband, who was looking to make her life difficult during their divorce.

[The complainant] informed CIFO that being required to make alternative banking arrangements caused a great deal of inconvenience and meant that she no longer had access to an overdraft facility. As a fair and reasonable resolution to the complaint, [the complainant] considered that [Bank C] should write off the overdrawn amount owed to them.

**Analysis**

I agree with the conclusions of the case handler. I recognise that [the complainant] feels she received no justification from [Bank C] for the decision to close the accounts. As a commercial organisation, [Bank C] retains the right to select the customers with which it conducts business. In general, this office will not get involved in a bank's decision to close a customer's account, provided that adequate notice is given. Banks can choose not to do business with a customer without the need to provide reasons.

I acknowledge that [the complainant] had to open a new bank account with a different bank as a result of the account closures, but on 21 July 2016 [Bank C] had provided 60

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<sup>1</sup> Financial Services Ombudsman (Jersey) Law 2014 Article 16(11) and Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 Section 16(10)

days' notice of their intention and I consider this a fair and reasonable period of notice to allow her to make alternative banking arrangements.

I further acknowledge the representations made by [the complainant] in her email to the case handler dated 23 May 2017, where [the complainant] asked for the reasons behind the decision of [Bank C]. [The complainant] noted that she had recently found out that her ex-husband's new partner – who was also the co-respondent in her divorce proceedings - worked for the bank. However, in the absence of any evidence that the bank account was closed following improper representations by her ex-husband or any other person, I consider this to be mere conjecture and it would not be reasonable for CIFO to find that the bank has made an error in the exercise of its commercial judgement.

Insofar as the overdraft is concerned, I note that [Bank C] wrote to [the complainant] on 18 October 2016 confirming that they would write off the outstanding amount. I therefore cannot conclude that [Bank C] have acted unreasonably with respect to the outstanding overdraft. Therefore, I do not consider there is any further redress warranted in connection with this part of [the complainant's] complaint.

## **Final decision**

My final decision is that I do not uphold this complaint.

[The complainant] must confirm whether she accepts this determination either by email to [ombudsman@ci-fo.org](mailto:ombudsman@ci-fo.org), or letter to Channel Islands Financial Ombudsman, PO Box 114, Jersey, Channel Islands JE4 9QG, by **14 July 2017**. The determination will become binding on [the complainant] and [Bank C] if it is accepted by this date. If we do not receive an email or letter by the deadline, the determination is not binding. At this point [the complainant] would be free to pursue her legal rights through other means.

If there are any particular circumstances which prevent [the complainant] confirming her acceptance before the deadline of 14 July 2017, she should contact me with details. I may be able to take these into account, after inviting views from [Bank C], and in these circumstances the determination may become binding after the deadline. I will advise both parties of the status of the determination once the deadline has passed.

Please note there is no appeal against a binding determination, and neither party may begin or continue legal proceedings in respect of the subject matter of a binding determination.

Douglas Melville  
Principal Ombudsman and Chief Executive

Date: 14<sup>th</sup> June 2017