



Case Study: Banking

ACCOUNT CLOSURE WHEN CUSTOMER DOCUMENTATION NOT RECEIVED

Themes: Bank account closure; mediation

The complaint relates to the closure, without notice, of a bank account due to the lack of response by the customer when requested by the bank to provide updated documentation and information.

In October 2018, Mrs J's bank account was closed without warning. The bank apparently had sent a request for updated documentation and information to enable the account to remain open but, this was not received by Mrs J. The bank was also unable to provide confirmation that a letter requesting updated documentation and information was sent to Mrs J.

Mrs J requested the bank account be re-opened but, without the requested documentation and information, the bank was unable to complete this request. The bank also did not provide details of what was actually required by Mrs J and confirmed that it would not be possible to re-open the account. Mrs J complained to the bank.

In April 2019, the bank confirmed that it did not uphold Mrs J's complaint as they believed the correct account closing and process to reclaim the funds in the account had been followed. Mrs J referred her complaint to CIFO.

CIFO investigated and found that Mrs J wished the account to be reopened, but the bank had already proceeded with an account closure and reclaim process. Although, the correspondence between both parties indicated Mrs J's preference to retain the account, this had been overlooked by the bank.

CIFO identified an opportunity to quickly mediate the situation and spoke with both Mrs J and her bank over the phone, enabling the missing information and documentation to be received within a few days. Mrs J's account was successfully reopened shortly thereafter.