

The complaint

A, complains that Zempler Bank Limited decided to block its business account without providing an explanation and have not returned the account balance.

A's complaint has been brought to our service by Mr B.

What happened

The circumstances that led to this complaint are well known to both parties. As such, I'll provide only an overview of the most essential facts here.

Mr B has an account with Zempler which he used to run his business.

In April 2024, Zempler reviewed how Mr B was operating his account. Whilst it did this Zempler blocked Mr B's account. At the time the balance of the account was around £1,000.

As part of its review Zempler asked Mr B to provide an ID document and proof of his address, as part of its verification process, so that it could return Mr B's balance. Mr B didn't provide anything. He explained this was because he'd moved to an address overseas. This meant Mr B failed to meet Zempler's verification criteria and Zempler didn't release Mr B's balance.

Mr B complained to Zempler. In response, Zempler said it hadn't done anything wrong when it had blocked his account and had done so in line with the terms and conditions of the account.

Mr B was unhappy about the actions taken by Zempler so he referred a complaint to this service. It was looked at by one of our investigators who said Zempler hadn't done anything wrong. Mr B disagreed. He said Zempler have no right holding onto his money, and he couldn't provide any documents as he'd moved overseas.

One of our investigators reviewed the complaint and didn't think Zempler had acted unfairly when it had blocked Mr B's account and asked him to provide information. Mr B disagreed and asked for an ombudsman to review his complaint.

As no agreement could be reached the complaint 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks and financial businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of

the information Zempler has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr B, but I'd like to reassure him that I have considered everything.

Mr B is unhappy that Zempler decided to block his account and haven't returned the funds in the account back to him.

Zempler has extensive legal and regulatory responsibilities they must meet when providing account services to its customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

That sometimes means Zempler need to review, or in some cases go as far as blocking and closing customers' accounts.

I want to make it clear that I understand why what happened concerned Miss B. I've no doubt it would've come as quite a shock to her, and she would've been very worried to find out that P's account had been blocked. But I've also considered the basis for Zempler's review and decision to block Mr B's account when deciding whether Zempler treated Mr B fairly.

The terms and conditions of Mr B's account also make provision for Zempler to review and suspend an account. And having looked at all the evidence, I'm satisfied that Zempler have acted in line with these when it suspended Mr B's account. So, although I understand not having access to his account caused Mr B trouble and upset it wouldn't be appropriate for me to award Mr B compensation since I don't believe Zempler acted inappropriately in taking the actions that it did when it blocked Mr B's account.

The crux of Mr B's complaint is that he wants the funds in his account, which is around £1,000 returned to him in order to release the funds Mr B has to complete Zempler's verification process. Zempler has these process in place in order to comply with its legal and regulatory obligations. Zempler has explained that this was its standard procedure, and I accept that it was. So, I can't say Zempler have done anything wrong by asking Mr B for his address and identification information.

I appreciate that Mr B has explained that he has moved overseas and that not having access to the funds has caused him inconvenience and upset. But I can't see that Mr B's location would stop him from providing the necessary information. I can also see that Zempler has told Mr B what he needs to provide in order for the funds to be released to him. So, it's up to Mr B to now provide the information necessary in order to be sent the funds. And I'm not going to ask Zempler to do anything more.

In summary, I realise Mr B will be disappointed by my decision. But based on the available evidence, I won't be asking Zempler to do anything more to resolve Mr B's complaint.

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 A to accept or reject my decision before 24 March 2025.

Sharon Kerrison

Ombudsman