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## STATUTORY INSTRUMENTS

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# 2015 No. 2038

## The Payment Accounts Regulations 2015

### PART 4

#### Access to payment accounts

##### Refusal of application

**25.**—(1) A designated credit institution must refuse to open a payment account with basic features for a consumer where it would be unlawful for it to do so, including where opening the account —

- (a) would be contrary to the Fraud Act 2006<sup>(1)</sup>
- (b) would be contrary to [F<sup>1</sup>the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017];
- (c) would be contrary to section 40<sup>(2)</sup> of the Immigration Act 2014 (prohibition on opening current accounts for disqualified persons)<sup>(3)</sup>;
- (d) would breach a requirement or limitation imposed by the Authority on the designated credit institution under Part 4A<sup>(4)</sup> (permission to carry on regulated activities) of the Act that prevents it from accepting new customers.

(2) A designated credit institution may refuse to open a payment account with basic features where it considers that the consumer's conduct in relation to the designated credit institution's staff amounts to the commission of an offence under—

- (a) section 4<sup>(5)</sup>, 4A<sup>(6)</sup> or 5<sup>(7)</sup> of the Public Order Act 1986<sup>(8)</sup>;
- (b) the Protection from Harassment Act 1997<sup>(9)</sup>;
- (c) section 38 of the Criminal Justice and Licensing (Scotland) Act 2010 (threatening or abusive behaviour)<sup>(10)</sup>;
- (d) Article 9 of the Public Order (Northern Ireland) Order 1987 (use of words or behaviour or display of written material)<sup>(11)</sup>;
- (e) the Protection from Harassment (Northern Ireland) Order 1997<sup>(12)</sup>.

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<sup>(1)</sup> 2006 c.35.

<sup>(2)</sup> Section 40 was amended by S.I. 2014/3074.

<sup>(3)</sup> 2014 c.22.

<sup>(4)</sup> Part 4A was substituted for the original Part IV by section 11(2) of the Financial Services Act 2012.

<sup>(5)</sup> Section 4 was amended by sections 111 and 174(2) of, paragraph 26(1) and (34) of Part 1 of Schedule 7 to, and Part 2 of Schedule 17 to, the Serious Organised Crime and Police Act 2005 (c. 15).

<sup>(6)</sup> Section 4A was inserted by section 154 of the Criminal Justice and Public Order Act 1994 (c.33) and was amended by section 174(2) of, and Part 2 of Schedule 2 to, the Serious Organised Crime and Police Act 2005.

<sup>(7)</sup> Section 5 was amended by section 57(2) of the Crime and Courts Act 2013 (c.22), and Part 2 of Schedule 2 to, the Serious Organised Crime and Police Act 2005.

<sup>(8)</sup> 1986 c.64.

<sup>(9)</sup> 1997 c.40.

<sup>(10)</sup> 2010 asp 13.

<sup>(11)</sup> S.I. 1987/463 (N.I.7).

<sup>(12)</sup> S.I. 1997/1180 (N.I.9).

(3) Where an application for a payment account with basic features is refused, the designated credit institution must without delay inform the consumer in writing and free of charge of the reason for the refusal if it may lawfully do so.

(4) Where notification of the reason for refusal is given, the designated credit institution must advise the consumer of—

- (a) the procedure for submitting a complaint to it against the refusal;
- (b) the consumer’s right to make a complaint to the Financial Ombudsman Service; and
- (c) the designated credit institution’s relevant contact details.

**F1** Words in reg. 25(1)(b) substituted (26.6.2017) by [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(S.I. 2017/692\)](#), reg. 1(2), **Sch. 7 para. 33** (with regs. 8, 15)

**Changes to legislation:**

There are currently no known outstanding effects for the The Payment Accounts Regulations 2015, Section 25.