

Credit fees (2)

Topic: **Fees and charges** Case number: **2021/23**

The complainants were a married couple who had a large balance in several accounts at the bank. After the bank announced to them that it would introduce a balance fee on balances over CHF 1,000,000, they visited their client advisor and told him that they wanted to avoid the charge of such fees by all means. They then understood the relationship manager to mean that for this limit, the balances of all their CHF and EUR accounts would be added together. They made the necessary dispositions according to this understanding and transferred money to third-party banks so that the limit for the credit balance fees was not reached. Afterwards, differences arose with the bank regarding the arrangement made. The clients were charged credit balance fees contrary to their expectations. After unsuccessfully complaining to the bank, they contacted the Ombudsman. The bank paid back the credit balance fees and settled the relationship with the clients for the future clearly for both sides.

Regarding credit balance fees, some banks agree on individual arrangements with their customers. Their implementation can be difficult under certain circumstances and lead to misunderstandings.

After the clients visited their client advisor, the bank confirmed to them in writing that only one of the clients' four accounts had an exemption limit of CHF 1,000,000 and that the credit balance fee would only be charged on any amounts above this limit. According to this letter, there was no exemption limit for the other three accounts, i.e. the credit balance fee was charged on every amount. As this did not correspond to the clients' understanding from the previous conversation, they contacted their client advisor again. He confirmed to them by e-mail that the exemption limit was calculated over all accounts of the entire household and amounted to CHF 1,000,000.

Although less than CHF 1,000,000 was booked on their accounts, they were later charged negative interest on three out of a total of four accounts. In response to their written complaint, the bank replied that this had been done on the basis of the regulation which had been communicated to the clients by letter. This had been implemented unambiguously and correctly. The specific wording of the e-mail from their client advisor was explained by the fact that they had previously had around CHF 2,500,000 in credit balances in their accounts and that they wanted to avoid spreading this sum over various accounts in the name of a single client or both names together in order to comply with the exemption limit of CHF 1,000,000. The client advisor had wanted to clarify that the balances in all the accounts of the household would be added together, irrespective of the name in which they were held, in order to determine whether the exemption limit had been complied with or exceeded. This in no way confirmed that there was a separate exemption limit on all accounts.

After the Ombudsman contacted the bank, the bank immediately realised that the wording of the e-mail from the client advisor corresponded to the clients' understanding and not to the content of the letter that was sent to the clients after the conversation with the client advisor. However, the clients reacted to this letter immediately because the content did not correspond to their expectations from the previous conversation. After receiving the e-mail, they felt confirmed in their understanding and organised themselves accordingly. The bank therefore paid them back the negative interest charged and clarified exactly what the regulation applicable for the future should look like.