

Citigroup Warns Customers It May Refuse To Allow Withdrawals

John Carney | Feb. 19, 2010, 2:57 PM

The image of banks locking their doors to keep customers from making withdrawals during a bank run is what immediately came to mind when we heard that Citigroup was telling customers it has the right to prevent any withdrawals from [checking accounts](#) for seven days.

"Effective April 1, 2010, we reserve the right to require (7) days advance notice before permitting a withdrawal from all checking accounts. While we do not currently exercise this right and have not exercised it in the past, we are required by law to notify you of this change," [Citigroup](#) said on statements received by customers all over the country.

What's going on? It seems that this is something of an error. The seven day notice policy only applies to customers in Texas, [Stoll reports at The Future of Capitalism](#). It was accidentally included on customer statements nationwide.

"Whatever the explanation, it doesn't exactly inspire confidence in Citi," Stoll writes. "But it's hard to believe a bank would be sending out a notice like that on its statements."

<http://www.businessinsider.com/citigroup-warns-customers-it-may-refuse-to-allow-withdrawals-2010-2>