

## **The complaint**

Mr A complains that Revolut Ltd blocked and closed his account. He would like an explanation and compensation for the time spent chasing them for answers and losses he has incurred.

## **What happened**

Mr A had an account with Revolut.

On 9 October 2019 Revolut reviewed Mr A's account and blocked it.

Mr A was unhappy the review took too long. He was not able to access his account or contact Revolut for several weeks. Mr A raised a complaint with Revolut. Revolut said they were entitled to review the account and wouldn't disclose the reason.

Mr A said the account being blocked was very inconvenient as he had loaded an amount into his account to use on his holidays and he was unable to do so.

Following the review Revolut closed the account. Mr A received notification on 6 February 2020 that Revolut had closed his account, but he again received no reasons.

Revolut returned the funds back to source and converted cryptocurrency back into Mr A's local currency to complete the transaction.

Mr A was unhappy that he lost money because of the low value of the cryptocurrency at the time of the conversion. He said he wouldn't have converted it at that time.

Mr A was unhappy with Revolut's responses, so he complained to our service.

One of the investigators looked into his complaint. He said he didn't think Revolut had done anything wrong. The terms and conditions of the account allowed them to review and close the account. He said Revolut weren't obliged to provide a reason for the review.

Our investigator thought it was up to Revolut what information they requested as part of the review. He said no delay had occurred during the review process and the funds were returned to source successfully. He also said that Revolut had to convert the cryptocurrency in order to close the account as they don't have the means to transfer it outside their platform.

Mr A disagreed with our investigator.

As there was no agreement the matter 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'll start by setting out some context for the review of Mr A's account. UK legislation places extensive obligations on regulated financial businesses. Financial institutions must establish the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. This applies to both new and existing relationships. These obligations override all other obligations. Revolut have said this is what they were doing when they reviewed and blocked Mr A's account.

I have looked at the terms and conditions of Mr A's account with Revolut and I'm satisfied that Clause 23 of terms and conditions allows Revolut to block an account in order to meet their legal and regulatory obligations.

Mr A has said that he wanted to provide Revolut with information during the review which may have been useful to them. I appreciate that Mr A was willing to provide information but it is up to Revolut to decide what information it may need in order to complete their review, so I can't say they have done anything wrong by not asking Mr A to provide information.

Mr A has said that the review took too long. I appreciate Mr A was inconvenienced by the review, but I'm satisfied that there was an ongoing investigation.

#### *Account closure*

A bank is entitled to close an account with a customer just as a customer may close an account with a bank. But before a bank closes an account, it must do so in a way, which complies with the terms and conditions of the account.

I've considered whether Revolut acted fairly in closing Mr A's account. I've looked at the terms and conditions of his account and I'm satisfied they did. The terms and conditions outline that the bank can close a customer's account with two months' notice, and in certain circumstances they can close an account immediately. In this case Revolut closed Mr A's account immediately. For Revolut to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence I'm satisfied that it has applied the terms fairly. And it was entitled to close the account as it's already done.

Mr A has said he wants to know the reasons why Revolut closed his account. Whilst Mr A may've expected to be given the reasons for the account closure. Revolut isn't required to give him a specific reason. And I can understand Mr A's frustration that he hasn't been provided a detailed explanation. But as the investigator has explained, Revolut is under no obligation to provide this information to him, as much as he'd like to know. So, I can't say Revolut have done anything wrong by not giving Mr A this information.

#### *Funds in the account*

I understand that Mr A has received the funds that were returned to source.

Mr A has said he wanted compensation for the loss he incurred when the cryptocurrency was exchanged into local currency. Unfortunately, as I have concluded that Revolut were entitled to block and close the account I can't fairly say they should compensate Mr A for his losses, so I won't be asking them to do anything here.

I appreciate that Mr A has asked to be compensated for the time that he has spent pursuing Revolut and the inconvenience of not having access to his money whilst he was away on holiday. I can see how this would be frustrating but as I don't think that Revolut have done anything wrong here I won't be asking them to pay Mr A compensation.

Having reviewed the evidence I am satisfied that Revolut acted fairly when they reviewed and closed Mr A's account.

**My final decision**

For the reasons mentioned above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 October 2021.

Esperanza Fuentes  
**Ombudsman**