

The complaint

Mr L complains Revolut Ltd (“Revolut”) unfairly reviewed and closed his account. And returned funds held in it to the source accounts.

What happened

In February 2020, Revolut carried out a review on Mr L’s account and subsequently placed a block on it. Mr L says he was abroad on holiday and not having the use of his account caused significant trouble and upset.

Revolut asked Mr L to provide personal information about his business and banking activity. Mr L gave Revolut some information as part of this process. After carrying out its review, Revolut decided it could not continue to offer its service to Mr L in May 2020.

Later, any remaining funds held by Revolut were returned to the accounts they were sent from. Unhappy with what had happened Mr L complained to Revolut. Unhappy with what it said, Mr L referred his complaint to this service.

Revolut offered Mr L £20 to settle this complaint. Mr L declined.

One of our Investigator’s looked into the matter. In summary, they concluded Revolut:

- Acted in line with its legal and regulatory obligations when restricting and reviewing Mr L’s account and it didn’t cause any avoidable delay when doing so
- Followed the terms and conditions of the account when it closed Mr L’s account and it’s under no obligation to explain the reasons it did so
- Did nothing wrong when sending the remaining funds held in the account to the source accounts

Mr L disagreed. He says Revolut should retrieve the funds it sent back to the remitting accounts and give them back to him.

The matter has now been passed 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.

Having done that, I’ve decided not to uphold the complaint. I know this will disappoint Mr L, so I’ll explain why.

Financial businesses in the UK, like Revolut, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means they need to restrict, or in some cases go as far as closing customers’ accounts.

So, I'm satisfied Revolut did nothing wrong when it put Mr L's account under review and restricted access to it while it did so.

Revolut is entitled to close an account just as a customer may close an account with it. But, it must do so in a way which complies with the terms and conditions of the account. The terms and conditions of the account, which Revolut and Mr L had to comply with, say that in certain circumstances it can close an account immediately.

The relevant term says:

"We may close or suspend your account immediately, and end your access to our website, in exceptional circumstances. Exceptional circumstances include the following:

- *if we have good reason to suspect that you are behaving fraudulently;*
- *if you haven't given us (or someone acting on our behalf) any information we need, or we have good reason to believe that information you have provided is incorrect or not true;*
- *if you've broken these terms and conditions in a serious or persistent way and you haven't put the matter right within a reasonable time of us asking you to;*
- *if we have good reason to believe that your use of the Revolut app is harmful to us or our software, systems or hardware;*
- *if we have good reason to believe that you continuing to use your account could damage our reputation or goodwill;*
- *if we have asked you to repay money you owe us and you have not done so within a reasonable period of time;*
- *if you've been declared bankrupt; or*
- *if we have to do so under any law, regulation, court order or ombudsman's instructions.*

We may also decide to close or suspend your account for other reasons. We would contact you through the Revolut app at least two months before we do this"

Having looked at the information given to me by Revolut - which I am under no obligation to disclose - I'm satisfied it was entitled to close the account in the way it has done. For the same reasons, I'm also persuaded Revolut acted fairly and reasonably when deciding to send the funds held in the account to the source accounts.

Mr L says this matter has caused him financial loss and significant trouble and upset, especially as he was left without money whilst on holiday. I do appreciate this matter would've caused him some difficulty.

But having looked at what's happened in this particular case, I can see no basis on which I might make an award against Revolut given that I don't think it failed to properly follow its own procedures, and acted fairly in relation to the actions it's taken.

My final decision

For the reasons I've given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 20 April 2022.

Ombudsman