

## **The complaint**

Mr H complains that Revolut Ltd restricted and then closed his account without warning. He'd like the account reopened.

## **What happened**

Mr H had an electronic money account with Revolut. In November 2020 Revolut carried out a review of Mr H's account, and blocked it while they did this. They sent him a message to confirm this, and also ask information about his income.

After completing the review Revolut closed Mr H's account with immediate effect. The funds in the account were returned to the original source. A refund due to Mr H's account from a merchant was tracked and sent to his bank account.

Mr H complained about the account closure. Mr H also said he had recently suffered the theft of a bicycle and damage to a mobile phone, which he was unable to claim on his insurance because of the account block and closure.

Revolut responded that multiple factors had been taken into account when reaching the decision to close the account, including Mr H's usage. They declined to disclose the exact reason for the closure but referred Mr H to the terms of his account.

Unhappy with this response Mr H referred the complaint to our service. Before it was investigated Revolut offered Mr H £20 for the inconvenience, which was declined.

Our investigator then reviewed the complaint but didn't think Revolut had been unfair to Mr H. They explained Revolut had certain legal and regulatory requirements they had to follow, which can lead to accounts being restricted and closed. They also agreed that Revolut's terms and conditions allowed them to close the account in the manner they did.

Mr H disagreed and asked for the account to be reopened. As no agreement could be reached the case has 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 so, I'm not asking Revolut to do anything further.

As the investigator explained Revolut, like all financial businesses in the UK, have legal and regulatory obligations they need to fulfil when providing accounts to consumers. Having reviewed all the evidence I'm satisfied Revolut acted in accordance with these obligations when they reviewed Mr H's account, and that they were entitled to do so under the terms of the account.

The terms also outline when Revolut are allowed to close an account. The terms allow them to end their relationship with Mr H, just as he can close his account with Revolut. I can see when they took this decision they informed him the same day, which is what I'd expect in the situation.

I can understand why Mr H would be upset by this, but I consider the decision Revolut made to be reasonable. As such I wouldn't expect them to compensate him for distress that is a result of a reasonable course of action, and I couldn't fairly ask them to reopen the account.

I appreciate Mr H may wish to know more about the decision to block then close his account. But Revolut has chosen not to disclose this to him and are under no obligation to do so. I don't think they have been unreasonable here, and it wouldn't be appropriate for me to ask them to disclose any further information.

Revolut returned the balance of the account to Mr H's bank account, which I consider to be a sensible course of action. I can see they also helped him trace and return a refund he was due from a merchant, which is reasonable. Revolut returned their account fee. Mr H has said he was \$350 down but having reviewed the statements of the account I can't see that to be the case.

Mr H's account came with some packaged travel insurance. I've not seen anything in the terms to suggest the account had any kind of cover for bicycle theft or phone damage. I can't fairly say Revolut should be liable for these.

Overall, I haven't seen anything to suggest Revolut have been unfair or unreasonable in their decision to block and then close Mr H's account. And I'm satisfied they treated him fairly in helping him recover the funds in the account back to his bank account. Because of this, I'm not asking them to take any further action.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 22 April 2022.

Thom Bennett  
**Ombudsman**