

## **The complaint**

Mr L complains Revolut Ltd unfairly restricted his account. He also says they are responsible for the fees charged by his credit card provider when he used his credit card to top up his account. He wants those fees refunded and £500 compensation for the inconvenience he experienced.

## **What happened**

Mr L held a Revolut account. In December 2020 Revolut placed restrictions on his account to carry out a review. They wanted to know more about his source of funds and income.

Mr L provided some information, although at one point he made a spelling mistake and sent information to an incorrect email address. Revolut weren't satisfied that the initial information they received demonstrated his full income. Mr L refused to provide further information and asked for his account to be closed. Revolut closed his account and gave him 30 days to transfer out his funds.

During his interactions with Revolut, Mr L expressed his unhappiness about interest his credit card provider charged when he used his credit card to top up his Revolut account. His credit card provider categorised the top ups as cash transactions for which he holds Revolut responsible.

While Mr L's complaint has been with our service, Revolut offered £20 to resolve his complaint without admitting liability. Mr L rejected the offer, so our investigator went on to consider the merits of his complaint. They decided not to uphold the complaint and concluded:

- Revolut were able to place restrictions on Mr L's account to carry out a review in line with their regulatory and legal responsibilities. Revolut hadn't acted unfairly even if Mr L was caused financial loss, frustration, and inconvenience.
- Mr L sent some of the information Revolut asked for to an incorrectly spelt email address, which explained why they didn't receive those documents at the time.
- Revolut were able to close his account. There are specific terms which apply to immediate account closure, and Revolut had fairly applied them.
- Revolut weren't responsible for the interest Mr L's credit card provider charged him.

Mr L disagreed with the outcome our investigator reached. He asked for a final decision from an ombudsman, so his complaint was given to me to decide. He says his credit card provider charged interest differently because of changes Revolut made to how top up payments using credit cards were processed.

## **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've decided not to uphold Mr L's complaint. I'll explain why.

Revolut have important legal and regulatory obligations they must meet when providing accounts to customers. Those obligations are ongoing and don't only apply when an account is opened. They can broadly be summarized as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

Revolut will review accounts to comply with their responsibilities. And, it's common industry practice for firms to restrict access to accounts to conduct a review - doing so helps prevent potential financial loss or harm. I'm satisfied Revolut acted reasonably by blocking Mr L's account and they didn't need to allow him to access funds in his account.

Revolut wanted sufficient proof of Mr L's income and they asked him for specific documentation. I see Mr L sent some of this information to an incorrectly spelt email address. Ultimately Revolut weren't satisfied the information he provided demonstrated the full source of his income. When they asked him for more information he refused to provide it and asked for his account to be closed and to be able to move his funds elsewhere. I find Revolut were entitled to ask for the information as part of their legal and regulatory responsibilities to verify the source of their customer's funds.

Revolut closed Mr L's account with immediate effect. I find their decision was reasonable because Mr L wanted to close his account following Revolut's requests for information. And, I find the wider circumstances of this complaint demonstrate Revolut reasonably applied the terms which allow them to close an account straight away.

Ultimately it's for each credit card provider to decide what they charge for certain types of payments and how they categorise them according to their fee structure. Mr L's credit card provider set its own fee structure and terms and conditions. So, I am not holding Revolut liable for the fees they charged him, although I am aware Revolut say their card scheme operator required them to suddenly change their merchant category code for top ups made by credit card.

I also find that Revolut not charging a fee for credit card top ups is a wholly different matter to fees charged by a third party. It would be unreasonable to conclude that this was a promise that Mr L wouldn't incur charges on his third-party credit card account or that his credit card provider wouldn't change how it categorised certain payments.

I do not require Revolut to pay Mr L any offer, but if Revolut still want to offer him £20 and Mr L wishes to accept it that is a matter for them to decide outside of our service's involvement.

## **My final decision**

I have decided not to uphold Mr L's complaint for the reasons I have given.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 16 August 2022.

Liam King  
**Ombudsman**