

The complaint

Mr C complains about the service provided by Revolut Ltd.

In summary, he says Revolut did the following:

- Failed to provide, when requested to do so, a statement showing how much he had left in his account.
- Closed his account without warrant, reinstated it, and then closed it again.
- Sold shares without his consent. He wants to see details – of sale information – before he withdraws his money.
- Failed to provide a clear explanation of what was happening.

What happened

On 21 October 2020, Mr C's account was suspended by Revolut and put under review. On 27 October 2020 he was told that his account would be permanently closed. Consequently, on 10 November 2020, Revolut sold all the shares it held for Mr C.

I understand that the proceeds of the sale were in due course credited to his trading account in USD, held in an investment pocket.

One of our investigators considered the complaint but didn't think it should be upheld. In summary, she said:

- Under clause 8 of its trading terms and conditions, Revolut is permitted to sell shares without notice, because Mr C failed to comply with its request – to provide information – back in October 2020. His account was then duly closed.
- On 14 December 2020 Mr C was (incorrectly) notified in an email that his account was reinstated. Consequently, when he went back, he was concerned to see that there was nothing in his trading account. He was then told that his shares had been sold and his funds moved to a USD currency pocket, where he could withdraw his funds.
- On 21 December 2020, following a 'webchat', Mr C's funds were moved from USD to GBP currency, so that he could access his funds. Following discussions, Revolut also agreed to refund fees – in the sum of £103.19 – that Mr C had been (incorrectly) charged.
- Revolut explained that the email of 14 December 2020 was an automated email, so that Mr C could make arrangements for his funds under clause 8 of the terms and conditions. Revolut accepts that this might've been confusing so has offered Mr C £100 compensation for the distress and inconvenience caused.
- By February 2021, Revolut still failed to provide a definitive answer as to why Mr C received an email about his account being re-opened. He also asked for the statements relating to his statements, but none was provided.
- The investigator understands that on 3 March 2021 Revolut sent Mr C a transactional history of his account. She also sent Mr C statements and hopes these will provide him with the information he needs. If he needs anything else, he should contact

Revolut first.

- Overall, Revolut has acted in line with its terms and conditions that Mr C would've agreed to when he took out the account. Once his funds have been withdrawn his account will close.
- The £100 compensation offered – for the confusing information – is broadly fair and reasonable in the circumstances. She won't be asking the business to increase its offer.

Mr C disagreed with the investigator's view and asked for an ombudsman's decision. In summary, he said:

- He's disappointed that the investigator thinks Revolut behaved appropriately in this instance and that it was entitled to close his account.
- The investigator's view doesn't consider his complaint which relates to how he was treated.
- He doesn't dispute the legality of Revolut closing his account, despite him complying with its request.
- His complaint is about Revolut's handling of his assets and money.
- The statement he received from the investigator is the first statement he's received in a year which amounts to negligence on its part.
- He's unhappy about the time restraints put on him.

As no agreement has been reached the matter has been passed to me for review.

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 agree with the investigator's conclusion for much the same reasons. I'm not going to uphold this complaint.

On the face of the evidence, and on balance, despite what Mr C says, I'm unable to safely say that this complaint should be upheld.

Before I explain further why this is the case, I think it's important for me to note I very much recognise Mr C's strength of feeling about this matter. He has provided submissions to support the complaint, which I've read and considered carefully. However, I hope he won't take the fact my findings focus on what I consider to be the central issues, and not in as much detail, as a discourtesy.

The purpose of my decision isn't to address every single point raised under a separate subject heading, it's not what I'm required to do in order to reach a decision in this case. My role is to consider the evidence presented by Mr C and Revolut, and reach what I think is an independent, fair and reasonable decision based on the facts of the case.

In deciding what's fair and reasonable, I must consider the relevant law, regulation, and best industry practice, but unlike a court or tribunal I'm not bound by this. It's for me to decide, based on the information I've been given, what's more likely than not to have happened.

I'm aware that Mr C wants Revolut reprimanded. But unlike the regulator, the Financial Conduct Authority (FCA), it's not my role to punish or reprimand the business for any wrongdoing.

I understand that under clause 8 of its trading terms and conditions, Revolut is permitted to sell shares without notice to its customer. I understand that Mr C failed to comply with its request to provide information – back in October 2020 – and that's why it duly closed his account.

Based on what Revolut says, I note clause 8 states the following:

We may close or suspend your Account and access to our trading services immediately, and end your access to the Revolut App, in exceptional circumstances. Exceptional circumstances include the following:

“...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 we have good reason to believe that continuing to use your account could damage our reputation or goodwill;”

I appreciate Mr C says that he complied with that request, but the business wasn't satisfied that he fulfilled the condition. On the face of the available evidence, and on balance, I'm unable to safely conclude that Mr C did comply with regards to the source of funds request – and he has provided no further evidence in response to the investigator's view. Therefore, on balance, the business was – more likely (than not) – entitled to sell his shares with a view to closing his account. I'm aware Revolut also maintains that it received no further instructions from Mr C about what to do.

I understand that a business – in the reasonable exercise of its legitimate commercial judgement – is entitled to set its terms and conditions of business and decide whether (or not) a customer has fulfilled those conditions. In this instance I'm unable to say that Revolut has done anything wrong by concluding Mr C hasn't fulfilled the relevant condition(s) – based on his actions in response to a request for information – and subsequently taking the action that it was entitled to.

The above notwithstanding, I understand that a financial business isn't obliged to do business with a customer and is therefore entitled not to enter into an agreement in the first place, or if it feels that conditions of trading haven't been met, to end that relationship. In this instance Revolut couldn't continue to offer its services to Mr C. It made clear it couldn't disclose any details regarding the review of his account or point out a reason that has raised a concern, as required by regulators.

I note in a final response letter to Mr C the business said:

“Finally, in relation to the off-boarding, we acted in line with our T&Cs (clause 24), as we can make commercial decisions about who we offer banking services to, and have the commercial freedom to decide who we'd like to contract with. Hence, we exercised our commercial freedom legitimately when we decided to close the account.”

In addition to the above points, based on Mr C's latest response it seems to me that he accepts that Revolut did what it was entitled to do. He's also made clear in response to the investigator's view that, notwithstanding the above, his complaint is about the handling of his assets and money.

Despite what Mr C says, I think the treatment of his assets and money is directly linked to this decision. I'm not persuaded that the business behaved unreasonably in relation to this by taking steps to ensure that Mr C got his money back.

I agree with Revolut that the email of 14 December 2020 wasn't clear, therefore gave Mr C the impression that his account had been fully re-instated when it hadn't. I'm mindful that the correspondence was generated automatically – in other words it was a generic email – and not tailored specifically to Mr C's situation, therefore it wasn't done deliberately to mislead him.

Despite what Mr C says, on the face of the evidence, and on balance, it seems that the account wasn't therefore closed, reinstated and closed again simply giving Mr C the run-around – rather that was possibly left open or unlocked so that Mr C could make arrangements.

In other words, I'm persuaded that Revolut was trying to assist him in accessing his money. Based on what Mr C says, on balance I'm not persuaded that this demonstrates that the closing of his account was unwarranted.

In the circumstances, I think £100 compensation offered by Revolut for the distress and inconvenience caused by this oversight and lack of clear communication is broadly fair and reasonable.

I appreciate Mr C is unhappy with Revolut's response and doesn't feel that he's received a 'definitive answer' as to why all this happened. But in the circumstances, and on balance, I don't feel I need any more information in order to make a decision in this case.

I understand that having initially sold Mr C's shares and moved his money to a USD pocket – so that he could withdraw his funds – on 21 December 2020, Revolut subsequently (following a 'webchat') moved Mr C's funds from USD to GBP currency, so that he could access his funds – which I think is fair and reasonable despite Mr C's concerns. I understand that the account and relationship with Revolut will cease once the money has been withdrawn.

I'm aware of the situation regarding the charges but I understand that following a webchat Revolut refunded/offered to refund the sum of £103.19 which I think is fair and reasonable in the circumstances.

I understand that on 3 March 2021 Revolut sent Mr C a transactional history of his account (over 60 pages), and subsequently the investigator has provided further statements. I'm sorry that Mr C is unhappy about the information received but I'm unable to safely say that Revolut behaved unreasonably, given the status of his account.

If Mr C requires any further information or clarification about his account transactions following this decision, he's entitled to speak to Revolut about this.

I appreciate that Mr C will be thoroughly unhappy that I've reached the same conclusion as the investigator and that I haven't given him what he wants. Whilst I appreciate his frustration, I think the offer made by Revolut – to refund the fees charged and pay £100 compensation for the distress and inconvenience caused – is broadly fair and reasonable in the circumstances.

My final decision

For the reasons set out above, I don't uphold this complaint.

I think the offer made by Revolut Ltd is broadly fair and reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or

reject my decision before 14 June 2022.

Dara Islam
Ombudsman