

The complaint

Mr B complains that Revolut Ltd closed his account without a reason. He would like his account reinstated.

What happened

Mr B had an account with Revolut.

On 16 October 2020 Revolut reviewed the account. Following the review Revolut requested additional information from Mr B. Mr B provided the information requested.

Following the review Revolut decided to close Mr B's account and did so on 28 October 2020. Revolut gave Mr B 30 days to remove the funds from his account. The account was closed on 12 November 2020.

Mr B reapplied for another Revolut account. His application was declined.

Mr B complained to Revolut. Revolut said they had closed the original account in line with the terms of the account and Mr B was not eligible to open another account with Revolut.

Mr B complained to our service. One of the investigators looked into the complaint. He thought Revolut hadn't done anything wrong when they reviewed and later closed Mr B's account. They could take a commercial decision on whether they wanted Mr B as a customer. He didn't think Revolut needed to provide a reason for the closure.

Mr B was unhappy with the view. He said he hadn't been treated nicely by Revolut –He had provided them with the information they had requested. He was still unhappy they hadn't given a reason for their actions.

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 B'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. I am satisfied Revolut were complying with these obligations when they reviewed Mr B's account.

Revolut were entitled to ask Mr B for information regarding his source of funds in order to comply with its legal and regulatory obligations.

Mr B has said that he provided the information requested. However, the information on the

chats between Revolut and Mr B suggest that Revolut weren't entirely satisfied with the information Mr B provided and I can see they were asking for further information. Which they are entitled to do.

Revolut decided to close Mr B's account.

I've next looked at Revolut's decision to close Mr B's account. Banks are entitled to end their business relationship with a customer, as long as it's done fairly and is in line with the terms and conditions of the account. The terms and conditions of Mr B's account say that Revolut can close an account in certain circumstances immediately. Revolut told Mr B his account would close on 28 October 2020 with immediate effect. Given that Revolut weren't satisfied with the information Mr B provided to them, I don't think that's unreasonable. So, it was entitled to close the account as it's already done, and I can't say Revolut has treated Mr B unfairly. It follows I won't be asking Revolut to reinstate the account.

Mr B is concerned that he hasn't been given a reason for the closure. He thinks this is unfair and he wants to know why Revolut closed his account. Whilst Mr B may have 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 B'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 B this information.

Mr B has said that he applied for an account with Revolut following the closure of his original account and that application was declined. Revolut are entitled to decide who they offer accounts to, and they have the commercial freedom to make this decision. Any financial institution can decide its criteria for who it offers accounts to, and this service won't interfere with that decision. It follows Revolut are therefore entitled to decline to open an account for a potential customer and having looked at the information I am satisfied they didn't act unfairly here.

I understand my decision will be disappointing to Mr B, but Revolut have acted fairly when they reviewed, closed and declined to reopen an account for Mr B, and I won't be asking them to do anything else.

My final decision

For the reasons stated above I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 9 June 2023.

Esperanza Fuentes
Ombudsman