

## **The complaint**

Mr G complains that Remitly U.K.,Ltd blocked and closed his account. He would like his account reopened.

## **What happened**

Mr G had an account with Remitly.

Remitly carried out a review of Mr G's account. And asked him for information. They blocked the account during the review. Remitly then decided to close Mr G's account.

Mr G said he wanted to know why his account had been closed and he wanted the opportunity to explain. He said he hadn't been asked any questions by Remitly. Mr G said he wanted to know what he had done wrong so he could put it right and continue to use his account.

He complained to Remitly. They said they had acted correctly in closing the account and had complied with the terms and conditions.

Mr G complained to our service. One of the investigators looked into the complaint. She thought Remitly had done nothing wrong when they reviewed and blocked Mr G's account. She also said Remitly were entitled to close the account in line with the terms and conditions.

Mr G disagreed with the view. He said he had carried out the same type of transaction in the past without any problem.

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 G'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 Remitly were complying with these obligations when they reviewed Mr G's account.

I can see that in blocking the account Remitly were following an internal process which they carried out in order to comply with their legal and regulatory obligations. This was a legitimate exercise so I can't say they were unfair.

Mr G was asked by Remitly to provide some information in order to update the information they hold on their customers. They sent an email to Mr G on 23 June 2021 and a reminder

email on 25 June 2021. Remitly suspended Mr G's account. They said they couldn't reactivate it and later closed it.

As the investigator explained it's generally for financial institutions to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a good reason to do so, this service won't usually say that a financial institution must keep a customer or require it to compensate a customer who has had their account closed.

I've considered whether Remitly acted fairly in closing Mr G's account. I've looked at the terms and conditions of his account and I'm satisfied they did. The terms and conditions of the account said Remitly could close and suspend accounts immediately in some circumstances, including where someone hadn't given it information it needed or where it was otherwise required to do so by law. Having looked at these terms and all the evidence I'm satisfied that the bank has applied the terms fairly. And it was entitled to close the account as it's already done.

Mr G wants Remitly to explain the reason it applied the block to his account and subsequently closed it. And provide him with the information it relied on to do so. Mr G has said he should be allowed to know the reason why his account has been closed so that he can put this right and continue to use the account. But Remitly doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr G the reasons behind the account block, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr G this information. And it wouldn't be appropriate for me to require it to do so.

Mr G says he wasn't asked any questions by Remitly and that he would have answered their queries, but I have seen emails that were sent to Mr G requesting information and I haven't seen that Mr G provided the information needed.

Mr G has said he normally sends money to his friends abroad and he had never had a problem before. I can see what Mr G is trying to say but Remitly are entitled to request information and review payments as part of their legal and regulatory obligations, so I don't think they've acted unfairly here.

I'm sure Mr G will be disappointed with my decision but having looked at everything I'm satisfied Remitly acted fairly when they reviewed, blocked and closed Mr G's account and I won't be asking them to do anything else.

### **My final decision**

For the reasons mentioned above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 27 January 2023.

Esperanza Fuentes  
**Ombudsman**