

## **The complaint**

Mr T complains that Revolut Ltd closed his account and returned funds to the senders.

## **What happened**

Mr T had an account with Revolut. In September 2020, Revolut blocked the account – and in October, decided to close the account and return the remaining funds in the account to its senders. This included £11,432.72, and £105.62 in foreign currency.

But Mr T had been using the account to buy and sell cryptocurrency using a peer-to-peer cryptocurrency exchange. So when Revolut returned the funds, it returned the funds to the buyers of Mr T's cryptocurrency.

Dissatisfied, Mr T referred matters to us.

Our investigator looked at the complaint and thought it should be upheld. Revolut didn't agree. The complaint has been referred 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.

Financial businesses like Revolut are subject to a number of legal and regulatory requirements. This means Revolut needs to monitor their customers' transactions and may need to review an account at any time. When it does this, it may also need to restrict the account – and doesn't need to give its customer reasons. Based on what I've seen, I'm satisfied that Revolut was acting in line with these legal and regulatory requirements when it carried out its review. I'm also satisfied that Revolut carried out the review in a timely manner.

Revolut then decided to return the funds to the accounts that had sent money to Mr T's account. But having looked at everything Revolut has sent us, I'm not persuaded this was justified. Based on what I've seen, these payments mainly related to the sale of cryptocurrency. Mr T was using a peer-to-peer cryptocurrency exchange: the exchange in question held cryptocurrency in escrow until the parties had transferred the funds outside the platform. In this case, Mr T received payments to his Revolut account - which meant Mr T received funds directly from the accounts of the other party to the cryptocurrency transaction.

Mr T has sent us screenshots from the exchange showing his trades with various third parties. Based on what I've seen I'm satisfied that the payments Revolut returned related to genuine cryptocurrency trades. I see no reason that if Revolut had asked Mr T for further information about these payments, he wouldn't have provided this information. Revolut doesn't appear to have received any claims on these payments from the senders. Based on everything, it appears Mr T was entitled to the funds in question. Mr T was selling digital

assets and received the funds in return – but now has lost both the digital assets and the funds.

I've also considered whether Revolut treated Mr T unfairly in any other way. Mr T said he'd paid a "metal" plan fee in January 2020 – and is unhappy that this payment covered the period after his account was blocked and then closed. I can see that after the account was blocked, it was unlikely Mr T would still be able to benefit from the plan. I also note that Mr T contacted Revolut a number of times to find out what had happened to his account. Given the sums involved, I can see that the lack of response would have caused Mr T some distress.

For these reasons, I conclude that the complaint should be upheld.

I've therefore considered what Revolut needs to do to put things right. I've concluded Revolut shouldn't have returned the funds to source. So Revolut should return them to Mr T. As Mr T has been out of pocket, it should also pay Mr T simple interest (the rate is 8% a year).

For the reasons I've explained, I also think Revolut should pay Mr T a partial refund of the metal plan fee, reflecting the period the account was blocked until it was due to renew.

I've thought about the further impact this all had on Mr T. Given the amounts involved, I can see that losing access to these funds would have been distressing. Mr T has also told us about the difficulties this caused paying for travel and constructing a property. With this in mind, I think Revolut caused distress and inconvenience. I think Revolut should pay Mr T £300 to reflect the trouble and upset it caused.

### **Putting things right**

For the reasons above Revolut should:

- Pay Mr T the amounts it returned to source.
- Pay simple interest (the rate is 8%) on these amounts from the 16 October 2020 until the date Mr T gets the money back. If HM Revenue & Customs require Revolut to pay tax on this interest, Revolut should send Mr T a certificate setting out how it calculated this if he requires one.
- Pay Mr T £300 for the trouble and upset it caused.
- Pay Mr T a partial refund of the metal plan fee, reflecting the period from when the account was blocked until the plan was due to renew.

### **My final decision**

For the reasons above I uphold Mr T's complaint.

Revolut Ltd should put things right by doing what I've said above

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 13 January 2023.

Rebecca Hardman  
**Ombudsman**