

The complaint

Mr V complains Revolut Ltd blocked his account and exchanged his Roubles RUB for pounds without his consent. He says he lost a lot of money and would like compensation.

What happened

Mr V had an account with Revolut. He had a holding in Roubles RUB. Revolut contacted Mr V on 17 June 2022 and told him he would have to convert his RUB holding into pounds sterling before 23 August 2023.

On 1 July 2022 Mr V was told his RUB holding was frozen and Revolut exchanged the RUB for pounds sterling on 14 July 2022. Mr V was unhappy with the exchange rate on that day. Mr V said he wanted to exchange his RUB within the timeframe provided but he was denied the option by Revolut's actions. He says he lost a lot of money.

Mr V's account was later frozen. He was asked to provide Revolut with information about a cryptocurrency withdrawal. Although he provided the information. His account remained frozen for two weeks.

Mr V was unhappy with Revolut – they had offered him £75 compensation for the frustration and missed opportunity – Mr V would like £15,000.

Mr V brought his complaint to our service. One of our investigators looked at the complaint. He thought Revolut had let Mr V know that they might have to stop servicing RUB before the 23 August 2022 and might have to liquidate his Rub holding earlier. He didn't think Revolut had acted unfairly as the terms and conditions allowed them to withdraw from providing a particular currency.

He also looked at the account block. He thought Revolut were entitled to review the account and ask for information to comply with their legal and regulatory obligations. Revolut admitted that they had caused some delay in the review so the investigator thought Mr V should get compensation equivalent to 8% of the funds in his account because he had been deprived of those funds for longer than necessary. He thought the £75 already awarded by Revolut in compensation was fair taking into account the impact the review had on Mr V. He also thought although there had been technical issues when Mr V wanted to submit a complaint to Revolut he was able to do so the next day, so no detriment had been caused to Mr V.

Mr V was unhappy with the view. He said he had never received the information about Revolut needing to stop servicing RUB accounts earlier than the expected date of 23 August 2022. Mr V said he thought Revolut's behaviour was exploitative and unethical. He referred to complaints made against Revolut Bank UAB by the Bank of Lithuania. He said it showed that Revolut were not able to respond and investigate customers complaints.

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.

Mr V has made a number of quite detailed submissions and also sought answers to his questions about the nature of Revolut's investigations. I've considered all of these, but I don't believe it's necessary to address each and every point that Mr V has made in order to meet my statutory duty to determine his complaint. I'm required to do that with minimum formality, and so I'll address the issues that I consider to be the most important. I do stress however that I've considered everything that Mr V and the bank have said before reaching my decision.

I note that Mr V has referred to a website which he has set up and he says contains further information he considers would be useful to determine the complaint. He also would like the ombudsman to call him or to meet with him face to face.

Firstly, I would like to reassure Mr V that I have considered all the evidence on the file and in particular I have paid special attention to all the comments he has made and his specific submissions to me.

I've noted that Mr V had asked to speak to me before I issue my decision. But having reviewed the file I find there is enough information for me to reach a decision without doing so.

Sale of currency

Mr V has said he is unhappy he was told he had to sell his RUB holdings and that Revolut went ahead and sold the RUB ahead of the date he was given. He says he made a loss.

I have looked at the file and I can see that Mr V provided us with a copy of the communication received by Revolut. Revolut have also sent us a copy of the communication to Mr V about the RUB currency. These two communications are different. I can see that the information that Mr V provided to this service is not the full document received, for example it isn't dated or signed. Revolut have provided a copy of the email they sent to Mr V dated 17 June 2022. It is signed and has an extra paragraph which says:

It is possible that we may need to stop servicing the currency prior to 23 August due to limited market availability. If we become unable to service the currency before 23 August, we will automatically convert your RUB into your base currency at the applicable exchange rate on the day of liquidation. We will endeavour to give you prior notice, but it may not be possible due to external factors outside of our control. If you have any questions about this, get in touch via our in-app chat.

Mr V has said that he has never seen the paragraph above and that what he sent us was the full screen shot of what he received from Revolut. He has said he looked through his emails and found the full text including the above paragraph. Mr V has said he doesn't remember seeing that paragraph before, he says it's different from the notification he got through the app.

I appreciate Mr V says he has never seen the paragraph above, but the question is whether it was sent by Revolut to Mr V. I have looked at the evidence and taken into account that Mr V himself says the email he has in his inbox refers to the above paragraph. I therefore think Revolut did send Mr V notification that included the above paragraph, whether Mr V saw it or not. Mr V has suggested that the paragraph was never sent with the original email

and that his email history has been altered to include that paragraph.

On the evidence before me I am satisfied that Mr V received the full text of the email which included the above paragraph. Because of this extra paragraph I am satisfied that Mr V was aware that his RUB holding may be sold earlier than the date given to him. I accept that Mr V would have preferred to decide on the date of liquidation himself or to not have to liquidate his RUB holding at all, but I'm satisfied Revolut were entitled to withdraw from servicing a currency as this is specified in their terms and conditions.

Mr V thinks that Revolut have tampered with his email. He doesn't believe the disclaimer was included in the email he originally received. Although he is happy to accept that it is there now. I accept that Mr V thinks Revolut tampered with his email, but I have seen no evidence to suggest this is what happened. As I've said above, I'm satisfied Mr V was aware that his RUB might be sold at any time, so it follows I don't think he was being treated unfairly by Revolut when they decided to liquidate his holding ahead of the 23 August 2022.

Mr V has said that Revolut gave him a false deadline, but I disagree. Revolut informed Mr V that they may have to liquidate the RUB ahead of the deadline given.

Account block

Mr V's account was blocked on 30 July 2022 as part of a review of his account.

I'll start by setting out some context for the review of Mr V'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 V's account and asked him for information.

As part of the review Revolut blocked the account and asked Mr V for information regarding one of the transactions in his account. Mr V provided this information on the same day. I'm satisfied Revolut were entitled to review the account to comply with their legal and regulatory obligations. I'm also satisfied the revolut terms allow for this.

Revolut have said they were some delays in the review of the information provided. They have offered Mr V £75 for the delay and have applied this amount to his account.

Mr V told us he was abroad at the time of the review – he has said he had emergency cash with him. So, although the delay in the review shouldn't have happened. I'm satisfied that Mr V suffered little impact as a result of the delay caused by Revolut. I won't be increasing the compensation already awarded. Mr V was without his funds for longer than he should have been so he should be compensated for this. Revolut should pay him 8% interest on the funds in his account between 1 August 2022 and 17 August 2022 because he was deprived of the use of his funds for the extra time.

I appreciate from looking at the chat that Mr V wanted to know the reason for the block on his account. Revolut aren't obliged to give Mr V a reason for their review. So, although I recognise Mr V wanted to know, Revolut haven't done anything wrong in not providing him with this information.

Raising the complaint

Mr V has said he wasn't able to raise his complaint on the day he wanted to, as there was a

technical issue on the Revolut website. Mr V was offered an alternative way to raise his complaint, so I'm satisfied he didn't suffer a detriment because of this issue. I won't be awarding compensation for this.

Mr V has made comments about Revolut Bank UAB and the Bank of Lithuania. He said it showed that Revolut were not able to respond and investigate customers complaints.

The Financial Ombudsman service is a dispute resolution service. We aren't the regulator so I can't make comments about how Revolut Ltd deals with complaints in general. In addition, I cannot comment on the way a different legal entity, Revolut Bank UAB has dealt with its complaints, or the comments made by the Bank of Lithuania, these are all issues arising in another jurisdiction.

As I've said the remit of this service is to resolve disputes on a fair and reasonable basis. Our approach is to consider what both parties say and then reach our own independent conclusions on that evidence.

Having looked at the evidence in this case. I'm satisfied that Revolut were entitled to liquidate the RUB when they did. I'm also satisfied Revolut were entitled to block the account and ask for the information that they needed to comply with their legal and regulatory obligations.

I appreciate that it is in the nature of our service and of dispute resolution that one party will be disappointed with the outcome that is reached. I appreciate Mr V will be disappointed by this decision. To put things right Revolut have already paid Mr V £75 for the inconvenience caused to him for the delays caused. They should also pay Mr V 8% interest on the funds in his account from 1 August 2022 to 17 September 2022 because he was unable to have use of his funds due to Revolut's delay.

My final decision

For the reasons stated above I partially uphold the complaint. I require Revolut Ltd to compensate Mr V for the delay it caused in giving him access to his funds by paying him 8% interest on the funds in his account from 1 August 2022 to 17 September 2022.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 19 December 2023.

Esperanza Fuentes
Ombudsman