

The complaint

Ms A complains that Revolut Ltd restricted her account on several occasions, and then closed it. She says each time it was restricted they sold her investments, and later sent funds back to the sending bank. She'd like to be compensated for these losses.

What happened

Ms A held an electronic money account with Revolut. But in October 2023 she found that her account was blocked. It was unblocked and then blocked again. Finally on 2 November 2023 the account was restricted, and this block remained in place. She contacted Revolut was not given any explanation.

Unhappy with this Ms A complained to Revolut, saying because of the reviews her investments had been sold without her approval. They responded to say that any reviews were conducted in line with the terms of the account. They did not offer any further explanation.

Revolut subsequently closed Ms A's account – and they returned two payments received to the sending parties.

Ms A then referred her complaint to our service, saying the selling of the investments had caused her losses, and there was a transaction made to another bank she didn't recognise. One of our investigators looked at what happened but didn't think Revolut had done anything wrong.

As Ms A disagreed the complaint has been passed 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.

Revolut, like all financial businesses in the UK, have legal and regulatory obligations to meet when supplying accounts to their customers. Broadly these obligations can be described as a duty to monitor accounts and account activity for signs of fraud or financial crime, or that their customers are suffering from financial distress.

This means that on occasion Revolut need to look more closely at the activity on a specific account, and it may be necessary to prevent any transactions while this happens. There is provision for this in the terms of Ms A's account.

There's no obligation on Revolut to explain to Ms A why a review is being conducted. I appreciate though it would be inconvenient for her to have her account blocks and unblocked in quick succession. But it's not unreasonable for Revolut to explain why this was.

The rules of our service allow us to receive certain evidence in confidence – for example if it contains information about security procedures, or third parties unconnected to the

complaint. In this case Revolut have supplied our service with their reasoning for blocking Ms A's account. I'm satisfied that it's appropriate this information remains confidential – so I'm sorry to say that I won't be detailing it in full here. But from the information I've seen I'm satisfied that the decision to block the account was reasonable, and in line with the firm's legal and regulatory obligations.

Revolut subsequently closed her account, with no further notice. I'm satisfied this was done in line with the terms of the account. The terms also explain that when an account is closed any remaining investments will be liquidated and the funds returned to her. From reviewing the statements of the electronic money account, I can see that the investments were liquidated at this time and the values added to the balance in GBP. So, I don't see that Revolut have been unreasonable here.

Ms A has asked about a transaction that was deducted from her account that she didn't recognise. I can see from the transaction value that it matches a transaction she received earlier in October 2023. From the statements it was briefly deducted from her balance, then readded, then later returned to the sending party. Revolut haven't been able to confirm why it was taken then readded. But they have been able to confirm that the reason they later returned it to the sending party – and I'm satisfied this was a reasonable decision and in line with the legal and regulatory obligations I've mentioned previously.

Overall, while I've no doubt it was frustrating for Ms A to not be given any information about what happened to her account, I'm not persuaded that Revolut have been unreasonable here. As such, I do not see they need to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 1 November 2024.

Thom Bennett
Ombudsman