

The complaint

Mr H complains that Optimus Cards UK Limited unfairly closed his account.

What happened

Mr H held a cryptocurrency wallet account with Uphold Europe Limited, which allowed him to store, buy, sell, and exchange various cryptocurrencies, traditional currencies, and other assets.

Alongside his wallet, Mr H also held an Uphold card (administered by Optimus) that provided him with the typical facilities of a debit card and was an optional add-on to his account. Any payments using the debit card were charged to his wallet, with Mr H deciding the currency applied to his spending. Uphold Europe acted on Optimus' behalf, so the day-to-day management of the debit card was carried out by Uphold Europe. Any reference in my decision to Optimus also concerns the overall actions of Uphold Europe in its capacity as an agent.

Mr H complained after his cryptocurrency wallet and associated debit card were closed around October last year. He says this happened after he raised a dispute regarding a payment, following which his card was cancelled and then his account closed without an explanation.

In summary of his complaint, Mr H says:

- He was given limited time to remove the assets in his account
- Optimus liquidated his assets without his explicit consent, causing him a loss
- Optimus failed to pay him his cashback for purchases made in October and that it failed to unlink his BAT browser
- The firm's actions worsened his health, caused him to be depressed and made him upset

To put things right, Mr H wants Optimus to apologise, explain why it closed his account and reimbursement for his losses. He also wants Optimus to delete his data and pay him compensation.

In its response to the complaint, Optimus referred to concerns it had about Mr H's use of his account and the nature of the payment disputes he'd raised. Optimus pointed to the fact it had issued refunds as a goodwill gesture and explained that it sold Mr H's assets at the prevailing rate. The firm agreed to delete Mr H's data and send a record of his transactions to him. Optimus says it acted fairly and in line with its terms.

Mr H remained unhappy and asked this service to get involved. Our investigator concluded that Optimus had acted fairly.

Mr H didn't agree and asked for a final decision. So 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.

Having done so, I'm not upholding this complaint.

I'd like to start by saying that I have considered all the arguments and evidence provided by both parties, but in this decision, I will be referring to and focusing on what I consider to be the main points. No discourtesy is intended by this. We aim for our decisions to be as concise as possible.

It's also important to note that, although cryptocurrency itself isn't regulated, this service can consider complaints involving cryptocurrency where it is ancillary to another regulated activity. In this case, the nature of Mr H's account allows for transactions using fiat, e-money, and cryptocurrency under one platform. So we'd consider the firm's decision to terminate Mr H's account as ancillary to the provision of e-money services.

Optimus is entitled to close an account. However, in doing so, it must ensure it complies with the terms and conditions of the account. The terms of Mr H's debit card account say that Optimus can close Mr H's account by giving him at least two months' notice. In certain circumstances, the firm can also close an account immediately.

The terms go on to explain that an account can only be held as long as Mr H remained a customer of Uphold Europe. The terms also explain that Optimus can close Mr H's account immediately if Uphold Europe suspends or terminates Mr H's use of its services.

Optimus closed Mr H's account immediately following the closure of his cryptocurrency wallet by Uphold Europe. I'm satisfied Optimus acted fairly and in line with its terms and conditions when doing so.

The terms of Mr H's cryptocurrency wallet also set out that his account can be terminated when deemed necessary. I understand Mr H's concerns as, at the time, he felt he hadn't been given an explanation. I can see that Optimus has since provided an explanation for its actions. The firm points to the nature of the payment disputes Mr H had raised as well as his recent behaviour, which Optimus identified as being abusive. Given this, I think it acted reasonably when it closed his account.

I empathise with Mr H, given the impact he says this had on him. Mr H says he was left distressed and anxious and he had to borrow from friends and family so that he could pay for essential expenses. Although I understand why Mr H feels he's due compensation because of this, I can only consider making an award where I think the firm has done something wrong. In this instance, I'm satisfied Optimus acted fairly so I don't find that compensation would be reasonable here.

As part of its submissions to us, Optimus has evidenced and explained the following:

- It allowed Mr H three days to withdraw his assets ahead of the closure of his account – I can see that Mr H withdrew some but not all of his assets before the deadline, so I'm satisfied he had reasonable opportunity to do so.
- In giving Mr H a deadline to withdraw his assets, Optimus explained that any

remaining assets would be liquidated following the deadline. I think it was fair that Optimus chose to do so without Mr H's explicit consent, as it prevented any delays in Mr H receiving his remaining assets. Optimus confirmed his assets were liquidated at the prevailing rate, which I'm satisfied was reasonable.

- Optimus also confirmed anything due to Mr H, such as cashback and refunds, were converted and transferred to his bank account in November 2023. Mr H feels he hasn't been refunded in full and that Optimus continues to benefit from his earnings, but I've seen no evidence to substantiate this.
- Mr H's account is closed so there is no need to unlink his BAT browser.
- Optimus says it will delete Mr H's data once this complaint is resolved.

Given this, I'm persuaded that Optimus has acted reasonably in regard to the complaint points Mr H has raised. And, as I explained, I'm satisfied Optimus has acted fairly in closing Mr H's account.

My final decision

For the reasons explained, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 20 December 2024.

Abdul Ali
Ombudsman