

## **The complaint**

Mr L complains that Nationwide Building Society unfairly blocked his account and left him without access to his money.

## **What happened**

Mr L said he made a transfer to a cryptocurrency account which was held for review by Nationwide and then cleared. He made another transfer to the same account the next day for £200, which was blocked. He said Nationwide called him to say it would hold the payment until he disclosed details of his cryptocurrency holdings.

Mr L asked Nationwide what would happen if he didn't disclose this information and was told it would hold his transfer. Mr L said he gave the ID code of the cryptocurrency account and showed the money being received onto the platform and the currency, but declined to disclose all of his financial details.

Nationwide then blocked Mr L's accounts and said he can only receive his money by closing the account in branch. Mr L told Nationwide he works abroad which means it could be a year until he can close the account. He asked Nationwide to transfer the money to another UK account, but this was ignored and he said he was told any further contact would be ignored.

Mr L complained to Nationwide. Nationwide said it acted according to the regulations that it must adhere to. It said Mr L would have to close his account in branch. Nationwide paid Mr L £75 to say sorry about the information it had given him regarding the evidence it required from him. But didn't agree that its agent had been rude to him on the phone.

Mr L wasn't happy with this response and referred his complaint to our service and said he would get legal representation. Our investigator didn't recommend the complaint be upheld, saying Nationwide acted in line with its account terms and anti-money laundering duties.

The investigator said Mr L's cryptocurrency payment triggered Nationwide's checks and it requested information and placed a temporary block on the account. Banks are required by law to verify payments and may ask for information about accounts or assets held with other providers to understand the transaction and manage financial crime risk.

The investigator said Nationwide's agent set out the duty to prevent fraud and apologised for the intrusive questions and then for saying in error that funds couldn't be returned, for which it fairly paid him £75. The investigator said Mr L repeatedly declined to provide information and then chose account closure after the alternatives were explained. The investigator said we can't tell Nationwide to lift the blocks or release the funds without verification. Mr L was unhappy with this outcome and requested an ombudsman review his complaint. He said £75 compensation doesn't solve the problem of not having access to his funds until potentially 2027. He said Nationwide must be able to provide an alternative access.

## **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.

Nationwide asked Mr L to either supply the evidence requested so it can safely remove the block, or complete closure by a verification route it accepts, typically in-branch.

Nationwide told Mr L it will hold the payment until he disclosed details of his cryptocurrency holdings, including balances and transactions outside of Nationwide. The payment has been returned to Mr L's account pending release when he closes the account. Mr L acknowledged Nationwide's right to refuse cryptocurrency transactions, but disagreed with its wish for him to disclose his cryptocurrency balances with other providers.

Mr L said that Nationwide is illegally withholding his personal funds of about £275 and he will be seeking legal representation. Mr L would like his account to be reactivated, or the option to send his funds to another UK-based bank without having to visit the branch as he works abroad.

Banks are required by law to verify the purpose and destination of payments and may ask customers for information relating to accounts or assets held with other providers if it's necessary to understand the transaction and manage financial crime risk.

The investigator has correctly informed Mr L that our service does not instruct banks as to which transactions to process or on their internal processes. We will assess whether a bank has treated a customer fairly and reasonably and in line with the Financial Conduct Authority guidelines. I have seen the information that Nationwide requested of Mr L. Nationwide's terms allow it to block account use where there are legal or regulatory reasons or where requested information isn't provided.

Banks have a difficult balance to strike, they have a responsibility to act on a customer's instructions, but also need to take steps to prevent fraud. This means we would expect Nationwide to stop any transactions if it has concerns that the consumer or the bank may be at risk of financial harm. I haven't seen anything to suggest that Nationwide has acted outside the terms of the account or illegally in requesting information about Mr L's cryptocurrency transaction.

I can understand Mr L's difficulty in attending a branch to close his account but I can't fairly hold Nationwide responsible for the problems that may arise from his refusal to provide information and his working abroad. I think Nationwide acted in accordance with the regulatory requirements and the terms of the account.

I have listened to the call from Nationwide to Mr L and I think the agent was trying to help Mr L understand the process being followed. And I think the £75 compensation Nationwide paid Mr L for its misinformation is fair. It is my conclusion that Nationwide has treated Mr L fairly and so I am unable to uphold his complaint.

Our service investigates the merits of complaints on an individual basis. And that is what I've done here. I think it's important to explain that my decision is final. I realise that Mr L will be disappointed by this outcome though I hope he appreciates the reasons why it had to be this way. If Mr L rejects this decision all avenues remain open to him with his complaint including seeking legal advice as he has suggested.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 10 February 2026.

Andrew Fraser  
**Ombudsman**