

The complaint

G is a company, which is represented in bringing this complaint by its director, whom I'll refer to as "Mr K". G complains that Revolut Ltd wrongly closed its account with immediate effect and without good reason.

What happened

G held an account with Revolut. G has business operations overseas, as well as in the UK, and Mr K says that the Revolut account simplified currency exchange and transfers.

On 27 July 2025 Revolut contacted G to say that it needed further information about some of its customers and transactions and that, if that information was not provided, the account might be restricted.

On 31 July 2025 Revolut placed G's account under review. On 1 August 2025 restrictions were placed on it. Mr K was told on several occasions over the following weeks that Revolut was carrying out standard security checks and that there was nothing more which he needed to provide.

On 19 August 2025, however, Revolut closed the account with immediate notice. Funds held by Revolut were released to G's account held with a UK bank, but Mr K says that its actions caused significant inconvenience, as payments were returned to customers and G's business was interrupted.

Mr K complained on behalf of G, first to Revolut and then to this service.

Revolut said that it had acted fairly and in line with the account terms, which allowed it to close a customer's account. Where there were exceptional circumstances, it could do so without notice.

One of our investigators considered what had happened. In her preliminary assessment, she concluded that Revolut had been within its rights to review G's account and to restrict its use while it did so. She was not persuaded, however, that it had acted fairly in closing the account with immediate effect on 19 August 2025. She was not persuaded that there were exceptional circumstances and therefore took the view that Revolut should have given G at least 30 days' notice of closure. In recognition of the additional inconvenience which resulted, the investigator recommended that Revolut pay G £200.

Neither Mr K nor Revolut accepted the investigator's assessment. Mr K said that compensation of several thousand pounds was warranted; Revolut said that it had acted fairly and that the complaint should not therefore be upheld. The case was therefore passed to me for further consideration.

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.

Banks and other financial services providers have various legal and regulatory obligations, some of which are to ensure that the information they hold about their customers is accurate and that they understand what accounts are being used for. In order to meet those obligations, providers may sometimes need to review individual transactions or the wider use of accounts. And in some cases, it may be appropriate to restrict or block accounts while a review is carried out.

I am satisfied that Revolut acted appropriately in this case, both in deciding to review G's account and in restricting its use while it did so.

Where a review is carried out, however, it should be completed without unreasonable delay. In this case, the account was restricted for just under three weeks until Revolut decided to close it. I think that was a reasonable timescale in the circumstances. I do note however that Mr K was given the impression on more than one occasion that the review was routine and that restrictions would be lifted within a few days. That assurance was not accurate.

It is generally for banks to decide whether to provide, or to continue to provide, account services to any particular customer. They can exercise their commercial discretion in such matters and, as long as that discretion is exercised legitimately, this service won't usually intervene. I have considered that issue here, and am satisfied that Revolut's decision to close G's account was a legitimate one. Revolut did not have to tell Mr K exactly why it had decided to close G's account.

Account providers should however give reasonable notice before closing an account. What is reasonable depends on the circumstances, and in some cases immediate closure may be appropriate.

Revolut's account terms for business customers include, at clause 7, the following:

We can suspend or close your Business Account for various reasons, and the amount of notice we'll give you depends on the reasons for Account closure. Generally, we will give you two months' notice before we end this Agreement ...

We may also suspend or close your Account immediately at our sole discretion in the following "Exceptional Circumstances", provided that it is lawful to do so, including, but not limited to...

There followed a list of ten bullet points, setting out reasons for which Revolut might close an account without notice.

In my view, Revolut has not shown that any of those reasons applied in G's case, either to Mr K or to this service – even though our rules allow us to accept evidence in confidence, where we consider that appropriate. I accept of course that the list of reasons for immediate closure is not exhaustive, but Revolut has not, in my view, shown that there were any exceptional circumstances here.

I therefore agree with the investigator's finding that it was reasonable of Revolut to close G's account but that it should have given prior notice of its intention to do so. Giving notice would not have eliminated any inconvenience – G would still have had to notify suppliers and customers of its changed account details, for example – but it would have reduced it to some extent. I therefore agree that the investigator's recommendation of an award of £200 is fair in the circumstances.

My final decision

For these reasons, my final decision is that, to resolve G's complaint in full, Revolut Ltd should pay it £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask G to accept or reject my decision before 11 March 2026.

Mike Ingram
Ombudsman