

complaint

Mr S is unhappy Revolut Ltd restricted and then closed his account without any explanation and then transferred his money back to source without his permission.

background

Mr S's account was restricted on 12 February 2019 and Revolut sent him a message explaining it was reviewing his account and undertaking a security check. The account was then closed on 12 March 2019 and the money remaining in the account was returned to source – meaning it was sent back to the accounts where it had come from.

When Mr S complained to Revolut it explained that as per the terms and conditions of his account, it was entitled to suspend the account and undertake a review. It said it had taken the decision to close Mr S's account and return any remaining funds to source in line with its policy.

Mr S wasn't happy with this so referred his complaint to this service. He says that Revolut converted and transferred his money without his permission. He explained that before the restriction was placed on his account, he had 160412 HUF and 785 Euros. However, he only received 245.58 Euros back.

Our investigator didn't uphold the complaint. She concluded Revolut had followed its legal and regulatory obligations when restricting and closing Mr S's account. She said it didn't have any obligation to tell him why it had done so. She explained the money has been returned to source and she wouldn't be asking Revolut to do anything further.

Mr S remained unhappy, stating that Revolut isn't legally entitled to convert and transfer his money without his permission. The complaint has therefore been passed to me to review.

my findings

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, my review of the evidence has led me to the same overall conclusions as the investigator previously set out and for much the same reasons.

Restriction and closure

Revolut has a wide range of legal and regulatory obligations it must meet when providing account services to its customers. These are ongoing so don't just apply at account opening stage. To comply with these obligations, it may need to review accounts and the activity taking place on them. And part of this might require it to restrict a customer's access to an account where appropriate. If Revolut didn't do this, it could risk serious sanction.

Taking this into account, I'm satisfied Revolut was within its rights to review Mr S's account and that it was entitled to suspend it while it carried out that review. It did so in line with its legal and regulatory obligations and in line with the account terms and conditions. I'm also happy that the time taken was necessary and reasonable for Revolut to conduct its review and it didn't cause any unnecessary delays.

Revolut weren't obliged to tell Mr S why it was carrying out a review on his account – as much as he'd like to know. And it wouldn't be appropriate for me to require it do so.

Having reviewed what's happened, I'm satisfied Revolut were also entitled to close Mr S's account and did so in line with the account terms and relevant regulations. Revolut has the discretion to offer accounts to who it wishes, just as Mr S can choose who to bank with. So, whilst appreciate this caused Mr S inconvenience, I can't say Revolut have treated him unfairly here.

Returning the funds to source

Revolut returned all the remaining money in Mr S's account to source. Mr S is particularly unhappy with this as he says Revolut converted his money and transferred it without his permission. He says this has meant he only received a small portion of the money back.

Having considered all the information available to me, I can understand why Revolut chose to return the remaining money in the account to source and believe this was reasonable given the circumstances. I therefore won't be asking Revolut to take any further action.

my final decision

My final decision is that I do not uphold Mr S's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 July 2020.

Sarah Brimacombe
ombudsman