

complaint

Mr W complains that a transfer he made to his account with Revolut Ltd was rejected. He says that Revolut should have told him that would happen; had it done so, he would have made different arrangements, saving himself time and fees and avoiding an exchange rate loss.

background

Mr W has an account with Revolut, as well as bank accounts in the UK and abroad. In December 2018 he wanted to transfer US\$20,000 from an account in Cambodia to his Revolut account. He'd made similar transfers in the past, but nevertheless discussed the transfer beforehand, using Revolut's in-app chat facility. He was told he might have to provide proof of the source of funds, but there was no mention of any other possible problems.

Mr W tried to transfer the money on 17 December 2018. The transfer was, however, rejected. Revolut explained that this was because it had changed its banking partner; I take this to mean that its new bankers weren't willing to process payments from Cambodia, whereas its previous bankers had been.

Mr W arranged to transfer the money instead to a UK bank. That transfer was completed eleven days later, on 28 December. He complained to Revolut. It said that it was within its rights to change its banking partner and that it wasn't obliged to tell Mr W that it had done so, or what the consequences might be. It accepted though that it ought to have alerted Mr W to the possible difficulties with this transfer and offered to refund the fees for the transfer (US\$47.32) and to pay Mr W £100 in recognition of the inconvenience to which he'd been put.

Mr W didn't think that went far enough. He said that in the time between his attempt to make the transfer on 17 December 2018 and the date when he could make it – 28 December 2018 – exchange rates had moved against him. He thought Revolut should cover his exchange rate loss as well. He referred the case to this service.

One of our investigators considered what had happened. She broadly agreed with what Mr W had said, and in particular the principle that Revolut should meet Mr W's exchange rate loss, as well as refunding the transfer fees and paying him something to recognise the inconvenience to which he'd been put. The investigator wasn't able however to resolve the matter entirely, and so I've reviewed the case.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr W doesn't fully accept Revolut's argument that it wasn't obliged to tell him about changes to its policies and processes. However, I don't believe I need to comment on that. That's because Revolut does accept – and I agree – that it ought to have alerted him to the potential problem in this case. It had the opportunity to do so and should have taken that opportunity, whatever its terms and conditions said.

Had Revolut done that, I think it likely that Mr W would have made different arrangements to transfer the money, as in the event he did. So, he incurred fees unnecessarily and lost out

because, by the time he could transfer his money, US\$20,000 was worth less in sterling than had been the case eleven days earlier.

Mr W says that Revolut hasn't refunded his fees of US\$47.32; I agree that it should, if it hasn't already done so. I also agree with the investigator that a payment of £100 is appropriate compensation for the inconvenience to which Mr W has been put.

The only issue remaining is, therefore, the exchange rate loss. Mr W says that he's lost £159 as a result of the delay. To reach that figure, he's taken a published rate for 17 December 2018 and compared it to the amount he actually received on 28 December. I should say that I think this gives a figure which is a little generous to Mr W; it's unlikely that he would have received the published rate on 17 December 2018. Comparing published rates on each date from the same source gives, in my view, a more accurate picture of currency movements.

Be that as it may, I don't believe Mr W's calculation of his loss as £159 is unreasonable; it's not possible to work out exactly what his loss is, but Mr W's figure is a fair estimate.

my final decision

My final decision is that, in order to resolve Mr W's complaint, Revolut Ltd should:

- refund its fees of US\$47.32, or the sterling equivalent at the date of payment, if it hasn't already done so;
- pay Mr W £159 to reflect his exchange rate losses; and
- pay Mr W £100 to reflect the inconvenience to which he's been put.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 28 June 2020.

Michael Ingram
ombudsman