

## **The complaint**

Mr S complains that Revolut Ltd restricted access to his account and his funds. He's also unhappy they've requested unreasonable documents and provided misleading information.

## **What happened**

On the 6 December 2019 Mr S had a conversation with Revolut via live chat where the business asked Mr S to provide further identification documents to verify his account because of the UK leaving the European Union. During the conversation Mr S also questioned Revolut about whether his funds were protected by the Financial Service Compensation Scheme (FSCS). Mr S wasn't happy with Revolut's response so decided to withdraw funds from his account in UK currency. However, he kept his money in foreign currency in his account.

On the 8 December 2019 Revolut restricted access to Mr S's account. On the same day Mr S contacted Revolut via 'live chat' and asked them why he couldn't access his funds. On the 10 December 2019 Mr S managed to temporarily access his account, convert his remaining funds to UK Currency and withdraw them. However he remained unhappy that Revolut continued to restrict his access.

On the 11 and 17 December 2019 Revolut requested Mr S provide documentation to show the source of funds transferred into his Revolut account. Mr S explained that the majority of his funds were from his pension, and he provided documentation to show this was the case. However, on the 18 December 2019 Revolut asked Mr S to provide further information, specifically evidence of the bank transfers from his wife's account in the form of three of Mrs S's payslips and her account statement.

Mr S refused to provide information from Mrs S's account because he felt the requests were unreasonable.

Revolut didn't unblock the account and Mr S complained. On reviewing his complaint Revolut didn't think they'd acted unfairly. And didn't uphold his complaint

Mr S wasn't happy with Revolut's response so complained to our service.

One of our investigator's looked into his complaint but didn't uphold it. In summary they thought Revolut acted fairly in restricting access to Mr S's account.

Mr S didn't accept our investigator's conclusion. In response he said:

- Revolut should be able to show the exact computer code which triggered the account restriction.
- His account is still restricted. And it's been over one and a half years since he's been able to fully access it.
- The request by Revolut for his wife's tax returns is unreasonable.

As Mr S didn't accept our investigator's outcome it's been passed to me for a decision.

### **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.

#### *Account restriction*

Although I appreciate that Mr S is unhappy that restrictions were placed on his account businesses have a legal obligation to protect the security of their accounts and to comply with various laws and regulations. Mr S agreed to this term as a customer and it's a reasonable term. I'm satisfied that Revolut were acting in line with their legal and regulatory obligations and in accordance with the terms and conditions of the account when they reviewed Mr S's account. So I don't think Revolut did anything wrong when it initially blocked Mr S's account and didn't allow him access to his funds.

Mr S has argued that Revolut blocked his access after he challenged them on whether his money would be protected by the FSCS. And he's asked for details from Revolut on what 'computer code' triggered the account restriction. As our investigator explained it isn't our role, as a service, to review a business's policy or procedures. Instead I need to assess whether I think Revolut have acted fairly, when considering the relevant law and industry best practice. I've seen no evidence that Revolut decided to restrict access to Mr S's account because of his decision to question the safety of his funds. I'm satisfied that the large crediting of funds into Mr S's account raised legitimate concerns with Revolut, and their decision to restrict Mr S's account was fair and reasonable in the circumstances.

#### *Request for proof of entitlement*

I've moved on to consider whether Revolut acted fairly in requesting additional documentation from Mr S. Initially, Mr S provided the information Revolut requested – however he refused to provide Mrs S's bank statement and relevant pay slips. Mr S has mentioned that Revolut asked him to supply his wife's 'tax returns' however I've not seen any indication this is the case. I can see that Mr S has strong feelings about the reasonableness of this request, and I know this will disappoint him. But I'm afraid I can't agree that the request from Revolut is unreasonable. Some of the funds Revolut asked Mr S to provide entitlement to were received from Mrs S's account. And I can't say that Mr S obtaining documentation from Mrs S to evidence the source of these funds is an unreasonable request. It follows, considering this is the reason for the block, that I'm satisfied the block remains fair.

#### *Communication from Revolut*

I've seen a copy of the communication Mr S had with Revolut via live chat. Mr S has raised a number of concerns about what he was advised by the business – including that his money was protected by the FSCS, and believes he's been misled by the business. Having looked at the live chat I can see initially Mr S was advised that *nothing has changed* at which point the advisor went on to confirm that if Revolut becomes insolvent Mr S's funds could be claimed from a segregated account. I agree with Mr S here that he was initially provided with incorrect information by Revolut. As Mr S has correctly highlighted once a business isn't regulated in the UK, by the Financial Conduct Authority, their funds aren't protected by the FSCS. However, I also note that soon after the advisor informed Mr S that 'nothing has changed' they went on to clarify how Mr S's funds were protected. I've thought about the

impact of the incorrect information provided by Revolut, and considering Mr S has been able to successfully withdraw all of his funds from the business soon after, and it was quickly corrected, I'm unable to conclude this caused Mr S any significant distress or inconvenience.

In summary I won't be asking Revolut to do anything further here.

### **My final decision**

For the reasons I've outlined above my final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 29 October 2021.

Jeff Burch  
**Ombudsman**