

## **The complaint**

Mrs M complains that Revolut Ltd (“Revolut”) have failed to refund over £10,000 she lost to an investment scam in October 2022.

The details of this complaint are well known to both parties, so I won’t repeat everything again here. Instead, I will focus on giving the reasons for my 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons:

- It isn’t in dispute that Mrs M has fallen victim to a scam here, nor that she authorised the disputed payments she made to her Binance wallet using her Revolut debit card (where her funds were subsequently transferred on to the scammers from her crypto wallet). The payments were requested using her legitimate security credentials provided by Revolut, and the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I’ve considered whether Revolut should have done more to prevent Mrs M from falling victim to the scam, as there are some situations in which a firm should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- Having reviewed the first two payments made by Mrs M, I don’t think these were enough in themselves to have warranted any further enquiry by Revolut, as they were not so unusual that they would indicate an increased risk of financial harm. However, by the time Mrs M came to make the third payment of £3,100 on 25 October 2022, it then became the second large payment being made to a known crypto platform on the same day. Successive payments of large amounts to a cryptocurrency platform can often be indicative of fraudulent activity, so I think Revolut ought to have made further enquiries about the nature of the payment and provided a tailored cryptocurrency investment scam warning in response.
- However, even if Revolut *had* intervened at this point and made further enquiries, I’m not persuaded it would have likely stopped Mrs M from proceeding or have ultimately prevented her loss. I say this because Mrs M has explained she was coached by the scammer on what to say if she was questioned. Specifically, she was told to say she was investing independently without any support from a third party. She was also led to believe that banks don’t like people using other services such as cryptocurrency. So, if Mrs M had been asked to provide the reason for her payment, I don’t think she would’ve likely been upfront about the true nature of what she was doing, meaning Revolut wouldn’t have been able to provide a tailored scam warning. Even if it had provided a cryptocurrency investment scam warning, I’m not persuaded it would’ve likely stopped

Mrs M from making the payments, given she was being coached by the scammer on what to say and do.

- Therefore, I don't think Revolut's failure to intervene can reasonably be considered as the proximate cause of Mrs M's loss in these circumstances, as it seems likely she would have proceeded to make the transactions irrespective of any intervention or warning provided by Revolut.

I appreciate this will likely come as a disappointment to Mrs M, and I'm sorry to hear she has been the victim of a cruel scam. However, in the circumstances, I do not consider it would be fair and reasonable to hold Revolut liable for her loss.

### **My final decision**

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 18 March 2024.

Jack Ferris  
**Ombudsman**