

## **The complaint**

Miss W has complained that Revolut Ltd. (“Revolut”) didn’t protect her from losing money as part of an impersonation scam.

## **What happened**

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Miss W has complained that she lost £2,000 as a result of an impersonation scam. She says that in July 2023 she received a phone call letting her know she was due a refund as a result of previous trading in cryptocurrency. She was told she’d need a Revolut account in order to receive the refund, so she gave a third party (“the scammer”) access to her device via remote access software, and they opened the Revolut account on her behalf. On the same day, Miss W credited the account with a transfer of £500. She converted this into Bitcoin cryptocurrency, which was then converted back into pounds, and then sent as a payment to a third party who she says she doesn’t know.

Miss W explains that she was persuaded by the scammer as they were in contact with her every day by phone and email and appeared to be from a legitimate company.

As Miss W lost the money she credited to her Revolut account as a result of this scam she made a complaint to Revolut – but it didn’t uphold the complaint. It said that as it said it didn’t have any account history for Miss W so it didn’t know what “normal” account activity would look like for her. It also said that despite this, it showed her a series of warning screens before she made a payment of £474. It said there’s no evidence that Miss W has lost the £2,000 that she initially complained about.

Miss W remained unhappy so she referred the complaint to this service.

Our investigator considered everything and didn’t think the complaint should be upheld. He didn’t think Revolut needed to intervene or warn Miss W any more than it did about the risk of scams, so he didn’t think Revolut was responsible for Miss W’s loss. He also couldn’t identify the £2,000 that Miss W said she’d lost.

As Miss W didn’t accept the investigator’s opinion, the case has been passed to me to make 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.

I’m sorry to disappoint Miss W but having considered everything I’m afraid I’m not upholding her complaint, broadly for the same reasons as our investigator, which I’ve set out below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Miss W authorised the payment from leaving her account. It's accepted by all parties that Miss W gave the instruction to Revolut and Revolut made the payment in line with the instruction, and in line with the terms and conditions of Miss W's account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

I should start by explaining that I don't doubt that Miss W has been the victim of a scam here and I'm sorry for that. But having considered everything, I don't think Revolut could've prevented it from happening, so I'm not asking it to refund Miss W's money.

Revolut didn't have any account history for Miss W, as her account was new, so it wasn't able to identify whether the payment she made of £474 was out of character for her. But in any case, it asked her for the purpose of the payment, which she selected as "sending to a safe account" and Revolut says it then showed her a series of warning screens related to this payment reason. I've seen an example of these warnings and they're clear and specific enough to the purpose of the payment, and I think they went far enough to warn Miss W about the risks of being scammed bearing in mind the fairly low value of the transaction. When Miss W had reviewed the warnings and confirmed this, the payment was sent.

Given the reason that Miss W gave for making the payment, it's fair to say that despite its low value, Revolut may've been concerned about it as transfers to "safe accounts" are well-known scams and I think Revolut could've ensured it wouldn't lead to financial harm for Miss W. But even if Revolut had done more, for example if it had blocked the payment and asked Miss W more questions about it, I don't think that would've made a difference in this case.

I say this because Miss W has provided an email chain between her and the scammer. It's apparent that Miss W was "under the spell" of the scammer and they had coached her on how to answer questions if they were asked when sending payments. One of the emails says:

*"Tell the bank if they see more transfers in the future to approve it Because you are the one transferring money to your own Revolut account And that you transferred money to [contact] because she is a friend and you had to transfer money to her and anydesk you used because you couldn't do it alone you didn't know how to do it and you needed help. don't mention anything from what we did they don't know how to recognize a real company or scam company"*

Miss W replied to this email asking the scammer for further guidance on how to answer another question that was asked by Revolut – so I'm persuaded she trusted the scammer and would likely have given the answers she was told to if she was asked.

With this in mind, even if Revolut had intervened further before sending this payment, the email Miss W received and how she responded to it suggests it's unlikely she'd have told Revolut the genuine reason for the payment. So it's unlikely Revolut would've uncovered and prevented the scam, regardless of what it did.

I understand that Miss W believes she's made more payments to the scammer than the one I've mentioned in my decision. I've seen from the evidence on file that she does appear to have made other payments to the same payee, but these were from her account held with another bank. So as I've explained, aside from exchanging to and from cryptocurrency, I'm

satisfied that Miss W only made one payment, with a value of £474, from her Revolut account.

I've also taken into account the fact that Miss W says the account was opened by someone else and operated without her knowledge. I accept that the scammer was likely guiding Miss W on what to do using remote access software, but I'm satisfied that Miss W most likely carried out the transactions herself. Revolut provided details of the only device that has accessed Miss W's account, which she has confirmed she owns, and Miss W also provided a photograph of herself during the account opening process as part of Revolut's identification checks, which only she could've done.

I'm very sorry that Miss W has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't hold Revolut responsible for that.

### **My final decision**

I do not uphold Miss W's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 17 September 2024.

Sam Wade  
**Ombudsman**