

The complaint

Mr M complains Revolut Ltd (Revolut) is refusing to refund him the amount he lost as the result of a scam.

Mr M is being represented by a third party. To keep things simple, I will refer to Mr M throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr M tells us he was looking for investment opportunities online when he received an email from a company I will call 'X' that provided information about an investment opportunity offering quick returns.

Mr M responded to the email and a call between Mr M and X took place. Mr M says X was very convincing and walked him through the investment process, which included him downloading remote access software so X could guide him around its investment platform and opening a cryptocurrency exchange account to facilitate payments into the investment.

Mr M made multiple payments into what he thought was a legitimate investment and could see he was making a profit. Although every time Mr M attempted to make a withdrawal X gave a reason for Mr M to either keep his funds invested, or for him to make further payments.

When Mr M was unable to make further payments and attempted for a final time to make a withdrawal, he found he was no longer able to contact X and realised he had fallen victim to a scam.

Mr M made the following payments in relation to the scam:

Payment	Date	Payee	Payment Method	Account
1	28 January 2022	Moonpay	Transfer	£224.29
2	31 January 2022	CoinBank	Transfer	£170.00
3	31 January 2022	Moonpay	Transfer	£1,416.65
4	31 January 2022	CoinBank	Transfer	£720.00
5	31 January 2022	Coinmama Bbt	Transfer	£1,574.85
6	1 February 2022	Coinmama Bbt	Transfer	£1,838.91
7	5 March 2022	Moonpay	Transfer	£2,000.00
8	5 March 2022	Moonpay	Transfer	£2,000.00
9	9 March 2022	Crypto.com	Transfer	£2,608.37
10	12 March 2022	Crypto.com	Transfer	£2,652.05
11	13 March 2022	Crypto.com	Transfer	£1,342.77
12	14 March 2022	Crypto.com	Transfer	£3,027.04
13	27 March 2022	Crypto.com	Transfer	£5,027.85
14	6 April 2022	Crypto.com	Transfer	£5,204.82

15	13 May 2022	Crypto.com	Transfer	£111.87
16	13 May 2022	Crypto.com	Transfer	£1,885.01
17	7 June 2022	Crypto.com	Transfer	£211.62
18	8 June 2022	Crypto.com	Transfer	£410.89
19	22 July 2022	Crypto.com	Transfer	£1,027.28
20	27 July 2022	Crypto.com	Transfer	£3,061.38
21	6 August 2022	Crypto.com	Transfer	£4,626.74
22	10 September 2022	Crypto.com	Transfer	£492.54
23	1 October 2022	Crypto.com	Transfer	£506.54

Our Investigator considered Mr M's complaint and didn't think it should be upheld. Mr M disagreed, so this complaint has been passed to me to decide.

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.

It has not been disputed that Mr M has fallen victim to a cruel scam. The evidence provided by both Mr M and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr M lost due to the scam.

Recovering the payments Mr M made

Mr M made payments in relation to the scam via transfer, but he didn't make the payments to the scam directly instead the payments he made were to legitimately purchase cryptocurrency that was then forwarded to the scammer.

As the payments Mr M made were legitimate and he did receive the cryptocurrency he purchased in exchange for the payments, Revolut would have no reasonable options available to it to seek recovery.

Should Revolut have reasonably prevented the payments Mr M made?

It has been accepted that Mr M authorised the payments that were made from his account with Revolut, albeit on X's instruction. So, the starting point here is that Mr M is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have been aware of the scam and intervened when the payments were being made. And if it had intervened, would it have been able to prevent the scam taking place.

Mr M made payments in relation to the scam over a 9-month period initially making payments that were not of such a significant value that I would have expected them to have triggered Revolut's fraud prevention systems, prompting it to intervene.

When Mr M made payment 13 he was making a payment for a more significant value of over £5,000, but by this time Mr M had made 12 other cryptocurrency related payments from his Revolut account over a 2-3 month period without complaint, so while this payment was for a more significant value it would not have looked out of place when considering how Mr M's account was usually operated.

As this payment and future payments made in relation to the scam would not have looked unusual, I don't think it was unreasonable that none of the payments Mr M made in relation to the scam triggered Revolut's fraud prevention systems, and that it didn't intervene.

As I don't think it was unreasonable that Revolut's fraud prevention systems were not triggered by the payments in dispute. I don't think Revolut missed an opportunity to prevent the scam and it is not responsible for Mr M's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 17 January 2025.

Terry Woodham
Ombudsman