

## The complaint

Mrs L complains that Revolut Ltd won't refund the money she lost when she was the victim of a scam.

## What happened

In late 2023, Mrs L came across an advert on a social media platform about investing in cryptocurrency. She followed a link in the advert to fill out her contact details on an enquiry form and was then contacted by someone who said they worked for a cryptocurrency investment company.

Mrs L was shown how to purchase cryptocurrency and send it on to the investment company. And she then made a number of payments from her Revolut account to invest with the company. I've set out the payments Mrs L made from her Revolut account below:

Date	Details	Amount
5 December 2023	To 1 <sup>st</sup> payee	€11,546
5 December 2023	To cryptocurrency exchange	€2,306.85
6 December 2023	To cryptocurrency exchange	€2,308.95
11 December 2023	To cryptocurrency exchange	€5,250
12 December 2023	To 2 <sup>nd</sup> payee	€6,300
18 December 2023	To 3 <sup>rd</sup> payee	€17,210
21 December 2023	To cryptocurrency exchange	€4,558.05
27 December 2023	To cryptocurrency exchange	€4,725
27 December 2023	To 2 <sup>nd</sup> payee	€5,221

Unfortunately, we now know the cryptocurrency investment company was a scam. The scam was uncovered after Mrs L tried to withdraw the profit she was told she had made, but was told she had to pay a number of fees and taxes before she could. Mrs L then realised she had been the victim of a scam and reported the payments to Revolut.

Revolut investigated but said Mrs L had authorised all the payments and it had a number of fraud prevention measures in place. So it didn't agree to refund the money she had lost. Mrs L wasn't satisfied with Revolut's response, so referred a complaint to our service.

One of our investigators looked at the complaint. They didn't think anything we would have expected Revolut to have done would have prevented the scam. So they didn't think it should have to refund the money Mrs L had lost. Mrs L disagreed with our investigator, so the complaint has been passed to me.

## 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.

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer

authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

Taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in December 2023 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

But, even if Revolut had recognised that Mrs L was at heightened risk of financial harm from fraud when making some of these payments, I don't think the action I would have expected it to take would have prevented her loss. I'll explain why below.

I'm satisfied Revolut ought to have recognised that Mrs L was at heightened risk of financial harm from fraud when she tried to make the first payment here, for €11,546 on 5 December 2023. This payment was for a significant amount. And it was funded by several credits into Mrs L's account totalling that exact amount immediately beforehand – which is a pattern often seen when customers are falling victim to a scam.

I think a proportionate test to the risk I think Revolut should have identified would have been for it to carry out some sort of human intervention with Mrs L to attempt to establish the circumstances surrounding the payment, before allowing it to debit her account. But, had it done this, I'm not satisfied it would have prevented Mrs L's loss.

Revolut did carry out a number of interventions with Mrs L during the period she was making the payments as a result of this scam, including when she made this first payment.

When she tried to make this first payment, Revolut stopped the payment and then asked Mrs L a number of questions about it. It explained that fraudsters may ask her to hide the real reason for a payment so it was important to answer truthfully, and asked whether anyone was telling her how to answer the questions. And Mrs L confirmed she understood this and that no-one was helping her with the questions or telling her how to answer. But she then said she was buying goods from an online retailer, that she had met the seller, and that

she had seen proof of ownership – despite these not being an accurate description of the purpose and circumstances of the payment.

Revolut also asked Mrs L a number of questions about one of the later payments she tried to make. But Mrs L again gave incorrect information about the purpose and circumstances of the payment – saying it was a transfer to another of her accounts and she hadn't been asked to install any software, despite now telling our service she had been asked to install remote access software.

Mrs L was also twice forced into a chat with one of Revolut's agents and asked about the payments she was making. But she said the payments were transfers to her own account or for marketing services, and that she was making the payments herself and wasn't being guided on what to do – despite this now appearing to be incorrect.

And for two of the other payments, Mrs L was asked to select the purpose of the payments from a list of options Revolut provided her. But she selected that the payments were for buying goods and services – despite being given the option to say they were for an investment, which would seem to be a more accurate description of the actual purpose of the payments.

After the interventions on these payments, Revolut also showed Mrs L a number of warnings. These included warnings not to give anyone remote access to allow them to view her screen, to never ignore its warnings and to stop if she was told to, and that she could be the victim of a scam. But Mrs L continued to make each of the payments.

So even if Revolut had asked more probing and in-depth questions about the payments she was making here, I think Mrs L would likely not have given it accurate or complete information about the purpose or circumstances surrounding them – as happened with the questions she was asked. And I don't think any warnings I would have expected Revolut to have shown her following the answers it got from those questions would have impacted her decision to continue making the payments. So I don't think anything I would reasonably have expected Revolut to have done here would have stopped Mrs L from making the payments or losing the money she did.

Mrs L has said English isn't her first language and that Revolut should have done more to check that she had understood the questions she was being asked and that her answers were plausible. But I can see Mrs L was communicating with the scammers in English and, if she was happy she understood that conversation, I think she likely understood the questions Revolut was asking as well. I don't think anything in the communication it had with her should have suggested to Revolut that Mrs L was particularly vulnerable or not understanding what she was being asked.

I also don't think there was anything contradictory or particularly concerning in the information Revolut received from Mrs L. And, for the same reasons I explained above, I don't think any further probing by Revolut would have led to it receiving complete information about the circumstances of the payments or stopped Mrs L from making the payments.

I appreciate that Mrs L has been the victim of a cruel and sophisticated scam and that my decision will come as a disappointment to her. She has lost a significant amount of money and I sympathise with the position she has found herself in. But I can only look at Revolut's responsibilities and, for the reasons I've set out above, I don't think anything I would reasonably have expected it to have done would have prevented the loss she suffered. And so I don't think it would be fair to require Revolut to refund the money Mrs L has lost.

**My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 2 May 2025.

Alan Millward  
**Ombudsman**