

The complaint

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

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

What happened

Mr O tells us that he found an advertisement via social media for an investment company I will call X that appeared to be owned by a well-known businessman. The advertisement stated that it could help people earn extra money.

Mr O was out of work at the time and says he saw positive reviews about X on the same social media platform but didn't carry out any independent research of his own. Interested in the investment opportunity Mr O provided his details and X contacted him.

X told Mr O that it was registered in Zurich and was owned by the businessman that had appeared on the social media advertisement. Mr O was told to open an account with Revolut as payments would go through more quickly. Mr O was also asked to download screen sharing software so that X could help him with the investment process.

Mr O made an initial payment of £1,500 to begin trading and quickly saw what appeared to be a return of £350. Mr O was told that the more he invested, the more he would earn. As Mr O appeared to be making a profit, he agreed to make further payments and again appeared to be earning a very good rate of return.

Mr O says most of the processes were carried out by X and after making payments of around £30,000 his account balance was over £90,000 within a short time.

Mr O was happy with the profit he had made and had limited other funds available, so he decided he would like to make a withdrawal. X tried to persuade Mr O to take out loans to make further investments, but he refused. X then told Mr O he would have to make further payments before a withdrawal could be made which caused Mr O to have concerns.

Having confided in a family member who carried out research on X Mr O realised he had fallen victim to a scam.

Mr O made the following payments in relation to the scam via a cryptocurrency exchange:

Payment	Date	Payee	Payment Method	Amount
	20 July 2023	Binance	Debit Card - Reverted	£1,500
1	20 July 2023	Binance	Debit card	£1,500
	24 July 2023	Binance.com	Declined	£4,500
	24 July 2023	Binanceltgbpecom	Declined	£4,500
	24 July 2023	Binance	Declined	£4,500
	24 July 2023	P2P 1	Declined	£15,000

	24 July 2023	P2P 1	Declined	£15,000
	24 July 2023	P2P 2	Declined	£15,000
	24 July 2023	P2P 2	Declined	£15,000
	24 July 2023	P2P 2	Declined	£15,000
2	25 July 2023	P2P 3	Transfer	£14,000
3	25 July 2023	P2P 4	Transfer	£9,000
4	25 July 2023	P2P 5	Transfer	£5,000
5	25 July 2023	P2P 6	Transfer	£1,000

Our Investigator considered Mr O's complaint and didn't think it should be upheld. Mr O 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 O has fallen victim to a cruel scam. The evidence provided by both Mr O and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr O lost due to the scam.

Recovering the payments Mr O made

Mr O made payments into the scam via his debit card and the method of transfer and has confirmed that the payments were made in relation to the purchase of cryptocurrency that was later transferred to the scammer.

As there is no dispute that the cryptocurrency was provided to Mr O in exchange for the payments he made, and it took further steps to send those funds to the scammer there would be no reasonable options available to Revolut to recover the payments he made.

Should Revolut have reasonably prevented the payments Mr O made?

Mr O has told us that the processes involved in sending the funds were mostly carried out by X. But I think it's clear that Mr O had given authority to X and was aware of the payments that were being made.

From the information provided by Revolut and Mr O it is also clear that Mr O's registered device was used to make the transfers and he provided real time photos on several occasions to Revolut when payments were made. So, I think it's most likely Mr O authorised the payments that were made from his account with Revolut, albeit on X's instruction. So, the starting point here is that Mr O 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 made. And if it had intervened, would it have been able to prevent the scam taking place.

I don't think the first payments Mr O attempted should have caused Revolut to have concerns. However, Revolut then declined several large payments Mr O attempted. Considering the value of the payments and the amount of times Mr O attempted to make them I think Revolut should have had cause for concern that Mr O may have been at risk of

financial harm, and it should have intervened.

I think an appropriate intervention would have been for Revolut to, for example, have directed Mr O to its online chat facility so it could ask Mr O for further details about the payments he was attempting. But I don't think this would have made a difference, I will explain why.

When Mr O attempted a smaller payment at the beginning of the scam, he was making a payment to a new payee and was presented with a warning screen that asked him if he knew and trusted the payee and that he shouldn't make the payment if he was unsure. This was a general warning, and I don't necessarily think it would have caused Mr O any concerns.

However, when Mr O made payment 2 (£14,000) the payment was stopped, and he was presented with a different set of screens. The first screen warned that "This transfer may be a scam" and that the payment was "...more unusual than 99.2% of all Revolut transactions".

The next screen warned Mr O about the millions that victims lose to fraud each year.

The third screen warned that:

"Fraudsters are professionals. They try to trick you into sending them money by pretending to be someone you trust. They can make their calls, emails and advertisements seem legitimate".

Mr O was then required to select from a list for the purpose of his payment. The options of "Investment" and "Cryptocurrency" were available options and accurately reflected the purpose of the payment Mr O was making. But he chose "Goods and Services" which I don't think accurately reflected the purpose of the payment he was making.

Understandably, following Mr O giving the incorrect information, he received automated warnings in relation to the payment reason he had selected.

When Mr O made payment 3 (£9,000) he was presented with the same screens as the previous payment and provided the same responses. On this occasion Mr O was directed to Revolut's in-app chat facility.

Mr O was required to provide a selfie image in real time to continue with the chat and once provided, Mr O confirmed he was transferring on his own, he had not been told to ignore scam warnings and he was purchasing "goods or services" from a company he trusted.

Mr O then confirmed the following statement:

"Revolut has warned me that this is likely a scam and is unlikely to recover my funds if I proceed with this transaction".

Mr O was directed to the Revolut in-app chat again when he made payment 4 (£5,000) and again was required to provide a selfie in real time.

Revolut warned that:

"...scammers are using increasingly sophisticated techniques to gather personal information and convince customers to transfer funds in complex scams. They can pretend to be a financial institution, government institutions, trusted online merchants, an exciting investment opportunity or even people you know".

Mr O confirmed “no it’s not similar, I am doing the transfer on my own”.

Revolut stated:

“I can see that you have advised that this transfer is for goods and services. If you have been told to select this option but you are not making a purchase stop, this is a scam. Have you been asked to ignore scam warnings during making the payment?”

Mr O responded “no”

However, it’s clear from the chat evidence provided by Mr O with X that he was being told what to say to Revolut when asked about the payments he was making. Mr O also confirmed to our service when making his complaint that:

“I was told to give a cover story by the scammers which I wasn’t entirely comfortable with, but they were so convincing!”

Overall, I think it’s clear that Mr O was being coached by X on how to answer Revolut’s questions when it intervened, and he was willing to give false information to have the payments processed.

I don’t have enough to say that Mr O would have given any more honest answers had Revolut intervened on any of the other payments and not followed X’s instructions as he had done throughout.

Giving incorrect information to Revolut when making the payments made it extremely difficult for the scam to be uncovered. So, I don’t think Revolut missed an opportunity to prevent the scam and it is not responsible for Mr O’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 O to accept or reject my decision before 24 April 2025.

Terry Woodham
Ombudsman