

The complaint

Mr A complains Revolut Ltd didn't do enough to protect him when he was the victim of an investment scam.

What happened

Mr A has an account with Revolut which he opened in 2022. His account is now closed.

Mr A says he saw an advert on a well-known social media platform in December 2022 – he says he didn't know or follow the person who had placed the advert – he says they were a random person. The advert encouraged people to invest and make money back. Mr A says he was interested in investing, so he clicked and provided his contact details. He says he had experience of foreign exchange trading already, and that he used the profits he'd made there to help fund the advertised investment. He was, in fact, speaking to a scammer.

Mr A says he had cryptocurrency accounts with two well-known providers before the scam – he says he opened these accounts in 2022. He says he sent payments to these accounts and it's these payments that he now wants refunding as he says the investment opportunity turned out to be a scam. He's mentioned a third provider that he sent payments too as well.

Mr A contacted Revolut in March 2024 to complain that he'd been scammed – a scam that involved all of the payments he'd made to the two well-known providers I've mentioned above – and that he needed an immediate refund. Revolut had by then closed his account.

Revolut looked into Mr A concerns and said that it wouldn't be able to recover any of his money using the chargeback process as more than 120 days had passed. Revolut also said that Mr A had been in contact before about being scammed and that he'd not provided the information it had asked for, so it hadn't been able to help. Mr A wasn't satisfied with Revolut's response, saying that victims of a scam are entitled to immediate refunds and that it should give him his money back. Ultimately, he asked us to look into his complaint.

One of our investigators looked into Mr A's complaint and explained in detail why they weren't recommending it be upheld. Our investigator referred to, amongst other things:

- inconsistencies in Mr A's evidence making it hard to know what to believe and what not to believe;
- insufficient evidence to show that Mr A had been scammed;
- insufficient evidence to show that Mr A had made losses; and
- evidence that Mr A wasn't always truthful in his responses to Revolut which it turn undermined Revolut's ability to help.

Mr A wasn't happy with our investigator's recommendations and asked for their complaint to be referred to an ombudsman for a decision. His complaint was, as a result, 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 this case, Revolut has provided us with a lot of evidence about Mr A and his account – including a copy of all of the chats that Revolut has had with him since he originally opened his account. That chat is over 800 pages long and I've read the whole of it. In comparison, Mr A has provided us with very little evidence in relation to the scam he's complaining about and the evidence he has supplied has a lot of gaps in it. For example, he's sent us a screenshot of the beginning of what might be a conversation with a scammer and of the end of what might be a conversation with a scammer, but hasn't been able to send us any of the conversation in the middle. In other words, the evidence that's normally most relevant. More importantly, his complaint has changed over time as has his story.

I accept that some of the inconsistencies in Mr A's story may be down to him not understanding the ways in which he has been scammed – it appears he has been scammed at some point although it's very hard to say to what extent. But he's also told us that he's falsified documents in an attempt to get a refund. I accept that some of Mr A's actions might have been out of desperation – I can see that he contacted Revolut on a regular basis to say that he was in effect in a "crisis situation" and the same has happened to us. However, as our investigator has explained, our role is to consider whether or not Revolut has acted fairly and reasonably, not to simply tell Revolut to refund Mr A the money he's claiming regardless of the merits of his complaint.

Before we can tell a business to refund the money a consumer is claiming they've lost to a scam, assuming the scam hasn't happened after 7 October 2024 when new rules came into force, we need to establish:

- that the consumer has, in fact, been scammed;
- if yes, what steps the business took to intervene;
- whether or not those steps were sufficient;
- if not, what additional steps the business should have taken to intervene;
- whether or not those additional steps would have made a difference; and
- if yes, what needs to be done to put matters right.

It's only if we get to the stage where we think the business could and should have made a difference that we go on to consider whether or not a refund is needed.

In this case, based on the evidence I've seen, it's not only hard to say that Mr A has been scammed and has made identifiable losses, but it's also hard to say that Revolut should have done more and that this would have made a difference given what Mr A told them at the time and given what it knew. That's because, for example, in a case like this we'd normally expect to see evidence of the conversation that was had with the scammer. As I mentioned earlier, Mr A hasn't sent us that – only parts of it. In this case, given that Mr A has told us that he'd been trading legitimately too around the same time, seeing that evidence is even more important as it's needed to help work out what might and what might not be a scam. I, therefore, agree with our investigator that this isn't a complaint that we can uphold.

If Mr A has been scammed on as many occasions as he says he has, and if he has made losses as large as the losses he says he has, then it's really important that he listens to his banks when they're trying to warn him about payments he's making and that he's honest and open with them about what's going on. That will help him to avoid scams in the future.

My final decision

My final decision is that I don't think it would be fair or reasonable to ask Revolut Ltd to refund the money that Mr A is saying he's lost to a scam.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 22 November 2024.

Nicolas Atkinson
Ombudsman