

## **The complaint**

Miss H complains that Revolut Ltd has declined to reimburse payments she made as part of an investment scam.

## **What happened**

Miss H says that a friend told her about the profits he'd made investing in cryptocurrency projects and recommended a specific token to her. After watching some videos on the topic, Miss H's friend assisted her in the process. She's described only having a basic level of understanding that she was investing in cryptocurrency.

In January / February 2022, Miss H made six card payments totalling over £13,000 to a cryptocurrency platform from her Revolut account. Miss H says she saw her tokens fall in value and she struggled to withdraw her funds. Miss H says she then found negative reviews online about it being a scam.

Revolut declined to reimburse Miss H. In summary it said the payments were authorised and as it was only an intermediary any loss took place from her external account.

When Miss H referred her complaint to our service, Revolut raised concerns about the level of information it had about the scam, and added to why it didn't think it needed to intervene in the payments at the time.

The investigator didn't uphold Miss H's complaint - in summary they didn't think it would be fair to require Revolut to reimburse any funds to Miss H because they weren't persuaded Miss H had fallen victim to a scam.

Miss H didn't agree, her representative provided links to websites on the topic of the token she purchased. The investigator explained they didn't think these showed Miss H had been the victim of a scam.

As an agreement couldn't be reached, the matter 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.

Having done so, I've come to the same conclusion as the investigator for similar reasons.

It's not in dispute that Miss H authorised the payments to a cryptocurrency platform, or that she received the goods/services from that platform. But Miss H is requesting a refund on the basis that she made the payments in relation to a scam and that she thinks Revolut should have done more at the time to prevent her loss.

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.

But, 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 January / February 2022 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;
- 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.

However, I'm not going to go into detail here about whether I think Revolut ought to have had concerns that Miss H was at a heightened risk of financial harm from fraud here. This is because I'm not persuaded that it's more likely than not that Miss H was the victim of a scam. This is important because if Miss H simply lost money to a legitimate investment, then it wouldn't be fair to hold Revolut liable for the money she lost. I've explained (above) Revolut's role in these payments, and this didn't involve providing advice on the suitability of a legitimate investment.

On the evidence available, is it more likely than not that Miss H made these payments (and lost her funds to) a scam?

- There's no suggestion that Miss H's friend (who she says she's met in person) is involved in trying to scam her. But she has said that her friend was in contact with the company. The implication being that he too was a victim of a scam and that he had good intentions when he involved her.
- Miss H hasn't provided evidence of any correspondence with a scammer. I appreciate she says her friend dealt with this company, but she hasn't provided anything in support of that, such as correspondence between her friend and the scammer or messages passed on to her by her friend.
- Miss H has mentioned negative reviews about the scam company she believes her friend was using but has not provided copies of these when requested.
- Miss H's representative say that the token was rebranded and is effectively a Ponzi scheme and provided links to websites on the topic of that specific token. Having looked at these websites, I don't think they are definitive. Rather they show a debate about the scheme. On one of the links, the author who describes themselves as a lecturer, concludes that it isn't a scam or a Ponzi scheme. The other is a social platform where individuals share their opinions. So I don't find this persuasive

evidence that Miss H was deceived about what she was purchasing.

- As I haven't been provided with anything to support that Miss H was dishonestly deceived or made the payments for a fraudulent purpose, I'm not persuaded that she has been the victim of a scam here. I understand that Miss H has lost money, but on the information available it appears this is related to a high-risk investment rather than a scam.

I'm sorry to hear about Miss H's health problems and the impact on her of losing this money. In the circumstances, for the reasons explained, I don't think it would be fair to hold Revolut liable for this.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 23 April 2025.

Stephanie Mitchell  
**Ombudsman**