

The complaint

Mr C complained Revolut Ltd (“Revolut”) has refused to refund him for the money he lost as a result of a scam and unauthorised transactions on his account.

What happened

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

In summary, Mr C says he saw an advert for cryptocurrency investment and decided to give it a try, so he completed the information requested. He was then contacted by scammers over the next few years who gained access to his accounts, moved money between his accounts and other unknown accounts, and stole money via cryptocurrency transfers. Mr C says he didn't authorise several of the card payments, money transfers and cryptocurrency transfers from his Revolut account between May 2022 and March 2024 – when the account was closed.

Revolut says it is willing to offer Mr C a refund of £7,015. It made this offer for the transactions on his account which were made via a web browser, and not Mr C's usual device and not authorised via any additional verification method. Revolut says it has no persuasive evidence that these were authorised by Mr C, so in fairness to Mr C it has offered to refund these. However, Revolut says the remaining transactions in dispute were carried out using Mr C's regular device, and were authorised via an in-app notification, an SMS or email verification.

Our investigator considered this complaint and felt that the offer made by Revolut was fair. He was not persuaded the remaining transactions were unauthorised, so he didn't ask Revolut to do anything further. Mr C wasn't happy with this response, so the complaint has been passed to me for a final decision.

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 is not in dispute that Mr C has fallen victim to a cruel and elaborate scam. From the evidence I've seen it appears the scammers were able to trick Mr C into thinking they were calling from various cryptocurrency providers and banks. They were able to trick Mr C into believing he had a lot of money invested in cryptocurrency locked up in his account. When Mr C questioned the payments and transactions made from various accounts, it seems they were also able to trick Mr C into paying them more money, saying that they were trying to recover the money lost.

The evidence provided by both Mr C and Revolut paints a picture of what happened during these past two years. Mr C now recognises he had fallen victim to this scam, and like I said this fact is not in dispute. What is in dispute, however, is whether Mr C authorised the payments made from his Revolut account, and whether Revolut could've done anything more to protect Mr C from this scam. I will deal with both these issues in turn.

Unauthorized transactions

Revolut has offered to refund payments made from Mr C's account amounting to £7, 015. This is for the payments which were made online using a Web Browser which it identified as being unusual to Mr C's usual devices and account activity. So Revolut says it agrees these transactions were made without Mr C's authorisation or consent by a fraudster who had access to Mr C's online banking information. Mr C told us that the scammers opened the Revolut account for him in his name, so I think it's likely they then accessed it to make these unauthorised transactions from a Web Browser. So, I think the offer made in relation to these particular transactions is fair.

The first external transfer made from his account was completed on 4 May 2022 in the amount of £337.00, and the evidence shows this was made from an internet browser and not Mr C's usual device. Mr C says he didn't recognise the recipient and Revolut already refunded this back to Mr C on 14 November 2022.

The remaining disputed transactions are made up of card payments and money transfers. Revolut has provided evidence to show the initial actions on Mr C's account were initiated via Mr C's registered device, the one which it has verified by Mr C logging on to his app while it was on the phone to him. Revolut has listed 15 transfers which were made from Mr C's Revolut account from this trusted device. Some of these transfers were made to another one of Mr C's accounts with other banks, and some made to other named payees. These were done via the Revolut app, and I understand Revolut's app security is designed to restrict any remote access.

Revolut has shown that the card payments in dispute were subjected to an additional level of security via one-time passcodes (OTP), email and app notifications. The card transactions would've only been completed had the additional verification been completed correctly. While this evidence isn't conclusive evidence that Mr C authorised the transactions, I must consider all the evidence available and come to a decision on what I think is more likely to have happened. So, I have thought carefully about everything Mr C has told us and the additional information provided by his representative.

Mr C's representative raised the argument that the scammers had access to Mr C's devices via remote access apps, so surely then they could've completed these transactions and the additional security without Mr C knowing. Mr C's representative says they could've then deleted the messages from his phone with their remote access. While this could've been the case, the testimony provided by Mr C and the evidence surrounding this case persuades me that Mr C authorised these transactions while under the influence of the scammers, and I'll explain why.

Mr C told us that he willingly allowed the scammers to set up a Revolut account in his name. This means he must have willingly shared his ID and other personal security details. Mr C seems to have been tricked many times into moving money as requested by the scammers under the guise of investing it into cryptocurrency, and then later under the guise of trying to recover the lost money. Mr C also told us that he had downloaded two remote access apps to allow the scammers to make transactions on his behalf, and usually these apps require the user to share a code before the other party is able to gain access. I have also seen a chat conversation with Revolut where Mr C says, "*the code you sent was wrong*". So, on balance, I think Mr C was receiving the codes being sent to him and was either using them to make the transactions in dispute or giving them to the scammers in order to authorise the payments being made.

Again, I have to repeat that it seems Mr C has fallen victim to cruel and elaborate scam. While I do think Mr C was tricked when making or allowing these payments into thinking they were for legitimate investments, this doesn't change the fact that I do think he authorised them.

Could Revolut have done more to protect Mr C

I have thought about whether Revolut could've done more to protect Mr C from this scam. However, I've heard a call we had with Mr C when this complaint was first made and during this call Mr C was contacted by the scammer and was willing to provide them with further information. I've also seen that throughout this complaint we have conveyed several clear warnings to Mr C about sharing his information with people on the phone, and the types of scams which we see in operation. Still, we have evidence that Mr C has been in touch with the scammers and has fallen for the same tricks again. So, I don't think any intervention from Revolut would've protected Mr C from further loss to such scammers.

I am aware this outcome is likely to come as a disappointment to Mr C, he has lost a lot of money to this scam, and I am sure this must be distressing for him. I have also seen that he is ongoing medical treatment for a serious condition, and I can understand this must be a difficult time for him. For this he has my sympathy. However, I am not asking Revolut to do anything further. Revolut has already offered Mr C £7,015 for a refund of transactions it says could've been made without Mr C's authorisation and for the reasons outlined above I think that is fair.

My final decision

I am not upholding this complaint. Revolut Ltd has offered to refund some of the transactions and for the reasons outlined I think that is fair.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 21 November 2024.

Sienna Mahboobani
Ombudsman