

## The complaint

Mrs R complains that Revolut Ltd (Revolut) is refusing to refund her the amount she lost as the result of a scam.

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

## What happened

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

In summary, Mrs R found an advertisement for an investment company I will call "X", via her web browser. X was endorsed by a well-known celebrity and offered to help its customers produce a passive income.

Mrs R tells us she carried out an online search on X and as she didn't find anything of concern she registered her interest on X's website.

Mrs R then received a call from X and the investment opportunity was explained. X also introduced Mrs R to its trading platform which looked very professional. Mrs R then signed up to X's trading platform on her own and had to provide various identification documents which she says made X appear more legitimate.

As part of the investment process Mrs R was required to open a Revolut account and an account with a cryptocurrency exchange. X helped Mrs R with the processes of setting up these accounts.

Mrs R appeared to be making a profit on her initial small investment and was aware that the more she invested the more profit she was likely to make, so she made further payments as guided by X. Mrs R was able to withdraw a small amount back to her cryptocurrency account which again made X appear legitimate.

When Mrs R decided to make a larger withdrawal, she was told further payments would have to be made first. Mrs R received a large payment from an individual she had no previous association with, arranged by X to fund a payment she was told was required to prove liquidity.

Mrs R then made one final payment as she was told a payment was required as her funds had been stuck in blockchain, but Mrs R was never able to make a substantial withdrawal from the investment and realised she had fallen victim to a scam.

Mrs R made the following payments in relation to the scam:

Payment	Date	Payee	Payment Method	Amount
1	3 October 2023	Payward	Transfer	£3,000.00
2	13 October 2023	Payward	Transfer	£3,000.00

3	31 October 2023	Payward	Transfer	£2,000.00
4	1 November 2023	Payward	Transfer	£4,000.00
	13 December 2023	Individual	Credit	€11,500.00cr
5	13 December 2023	Payward	Transfer	£9,800.65
6	20 December 2023	Payward	Transfer	£3,621.31

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

#### *Recovering the payments Mrs R made*

Mrs R made payments into the scam via transfer. When payments are made by transfer Revolut has limited recovery options available to it.

Mrs R didn't make the payments in relation to the scam directly to X, instead she made payments to a legitimate cryptocurrency exchange. As there is no dispute that cryptocurrency was provided to Mrs R in exchange of the payments she made, and it took further steps for the funds to be moved to the scammer, any recovery attempts would have been unsuccessful.

#### *Should Revolut have reasonably prevented the payments Mrs R made?*

It has been accepted that Mrs R authorised the payments that were made from her account with Revolut, albeit on X's instruction. So, the starting point here is that Mrs R 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 Mrs R made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

When Mrs R attempted payment 1 the payment was stopped by Revolut and a series of questions were asked.

Mrs R confirmed she was not being assisted with her answers, she had not found the investment via social media, it had not been promoted by any well-known celebrities, and she had researched X.

Following Mrs R giving the above responses she was provided with several warning screens which included the following warnings:

*"This could be a crypto scam. STOP crypto scams promise high returns in short periods of time and might even have professional looking online platforms."*

*Don't be rushed. Take your time and speak with family and friends before making large investments. Say no if you're being pressured to invest"*

Mrs R had given incorrect responses to the questions Revolut asked. She had found the investment online and it was endorsed by a celebrity, I also think that while Mrs R has been unable to provide much evidence in the way of her conversations with X, it's likely X was guiding her through making the payments, as it had also helped her in the setting up of her various accounts.

Despite giving incorrect answers to Revolut's questions and ignoring the warnings that I think were relevant to her circumstances Mrs R opted to continue with the payment. This prompted an in-app chat to take place.

Revolut warned that it was likely Mrs R was falling victim to a scam. But Mrs R told Revolut she had carried out research and that the company was on the FCA website. This was incorrect.

I think Revolut should have intervened again later in the scam when Mrs R attempted payment 5. This payment was for a much higher value and was clearly being made to a cryptocurrency exchange. But considering Mrs R had previously provided incorrect responses to Revolut during its prior intervention, and continued with the payment despite being provided with clear warnings I think its unlikely any further intervention would have made a difference.

I don't have enough to say Mrs R would have provided any more honest answers had Revolut intervened when payment 5, or any other payments were made.

Providing incorrect information to Revolut would have made it difficult for Revolut to uncover the scam, so for this reason I don't think Revolut missed an opportunity to prevent the scam, and it is not responsible for Mrs R's loss.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 24 June 2025.

Terry Woodham  
**Ombudsman**