

## **The complaint**

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

Mr A is being represented by a third party. To keep things simple, I will refer to Mr A 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, Mr A tells us that he received a message via WhatsApp from an individual (X) that appeared to have messaged him in error. X apologised for messaging Mr A and over the days that followed Mr A and X exchanged messages which helped form what Mr A believed was a new friendship.

After speaking for some time and building trust between them X started to discuss how she had successfully invested in cryptocurrency and offered to help Mr A do the same. Mr A says he initially declined the opportunity but eventually agreed as he trusted X.

Mr A was advised to open a cryptocurrency account and was shown a professional looking trading platform with all the key features Mr A would have expected from a genuine platform.

Mr A started making payments into the scam from accounts he held elsewhere but was later told he would have to open an account with Revolut as it was the platform's preferred bank. Mr A complied with X's request to open an account as he says he had complete trust in her.

Mr A says he made the payments from his Revolut account and other accounts he held elsewhere having been directed by X and on the belief that he could make a withdrawal any time. X also helped Mr A by making deposits into his trading account.

Having made what appeared to be a significant profit Mr A attempted to make a withdrawal but tells us he was unable to due to "suspicious activity" on his account with money being sent from X's account.

Mr A said he tried to explain the situation but was told he would have to deposit more funds. Mr A then realised he had fallen victim to a scam.

Mr A made the following payments in relation to the scam from his Revolut account:

Payment	Date	Payee	Payment Method	Amount
1	21 October 2023	Mr A	Transfer	€3,580.50
2	29 October 2023	Mr A	Transfer	£65.00
3	2 November 2023	Individual 1	Transfer	€4,501.20
4	2 November 2023	Individual 1	Transfer	€3,375.91
5	3 November 2023	Mr A	Transfer	£160.00
6	12 November 2023	Mr A	Transfer	£3,642.39
7	12 November 2023	Individual 2	Transfer	€1,000.00
8	12 November 2023	Mr A	Transfer	£2,589.78

Our Investigator considered Mr A's complaint and didn't think it should be upheld. Mr A 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.

The evidence provided by both Mr A and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr A lost due to the scam.

#### *Recovering the payments Mr A made*

Mr A made payments into the scam via transfer to accounts in his name, and other individuals in exchange for cryptocurrency. These funds were then forwarded as part of the scam.

Revolut would not be able to seek recovery for the payments Mr A made to accounts in his own name as any funds that remained in these accounts would remain in his control.

Revolut would also be unable to request a refund for the payments Mr A made to other individuals as these were genuine payments that Mr A made for cryptocurrency. The cryptocurrency was provided to Mr A and forwarded as part of the scam.

With the above in mind, I don't think Revolut had any reasonable recovery options available to it to recover the payments made by Mr A.

#### *Should Revolut have reasonably prevented the payments Mr A made?*

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

I can see that Revolut did intervene when Mr A attempted several of the payments.

When Mr A attempted payment 1 on 21 October 2023 he confirmed via a chat facility that he was making the payment to buy materials for his company. Mr A said that he was not being guided through the questions, he had not downloaded any software, and no one had told him to ignore warnings.

When Mr A attempted a payment on 2 November 2023, he confirmed he was making a payment to someone he knew very well who was buying materials in relation to his company and he had not been instructed to make the payment by anybody else.

When Mr A attempted to make a payment on 12 November 2023, he said he was making the payment to family who had purchased something for him in the past and he was paying them back.

Mr A has told us that he deleted a lot of the conversations from the time of the scam, so it has not been possible to know exactly what was said between himself and X. But Mr A has told us that he was guided by X, and I think it's most likely that even if Revolut had carried out more interventions (which I don't think it needed to), that Mr A would not have given more honest answers.

The incorrect answers Mr A gave when making the payments made it difficult to uncover the scam and I don't think it was unreasonable that Revolut allowed the payments to be made at the time.

With the above in mind, I don't think it would be reasonable to hold Revolut responsible for Mr A'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 A to accept or reject my decision before 20 December 2024.

Terry Woodham  
**Ombudsman**