

The complaint

Mr P complains about the actions of Revolut Ltd when he lost money to a scam.

Mr P is being represented by a claims management company but, for ease, I'll only refer to Mr P.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In early 2023 Mr P came across an advert on social media in relation to investing and reached out to the merchant. He was then contacted by a third-party representing the merchant. Mr P was persuaded to send money from an account he held with a bank – I'll refer to here as E – to his new Revolut account (which he had opened at the request of the merchant). In total Mr P then made the following payments to the merchant via a genuine crypto exchange and faster payments;

Date	Type of Payment	Amount
26 April 2023	Debit card payment to crypto exchange	£15
26 April 2023	Debit card payment to crypto exchange	£4,000
26 April 2023	Debit card payment to crypto exchange	£5,000
26 April 2023	Debit card payment to crypto exchange	£760
27 April 2023	Debit card payment to crypto exchange	£5,000
27 April 2023	Debit card payment to crypto exchange	£1,000
27 April 2023	Debit card payment to crypto exchange	£15
27 April 2023	Debit card payment to crypto exchange	£15
27 April 2023	Debit card payment to crypto exchange	£3,850
27 April 2023	Faster payment to third-party	£4,900
28 April 2023	Debit card payment to crypto exchange	£5,000
29 April 2023	Debit card payment to crypto exchange	£4,900
29 April 2023	Debit card payment to crypto exchange	£4,800
3 May 2023	Debit card payment to crypto exchange	£4,500
3 May 2023	Debit card payment to crypto exchange	£4,000
3 May 2023	Debit card payment to crypto exchange	£1,600
4 May 2023	Debit card payment to crypto exchange	£5,000
4 May 2023	Debit card payment to crypto exchange	£4,900
5 May 2023	Debit card payment to crypto exchange	£4,900
5 May 2023	Debit card payment to crypto exchange	£4,850
6 May 2023	Debit card payment to crypto exchange	£4,950
6 May 2023	Debit card payment to crypto exchange	£4,800
6 May 2023	Debit card payment to crypto exchange	£300
8 May 2023	Faster Payment to Third-Party	£19,900
10 May 2023	Debit card payment to crypto exchange	£4,900
10 May 2023	Debit card payment to crypto exchange	£4,800
10 May 2023	Debit card payment to crypto exchange	£4,700

10 May 2023	Debit card payment to crypto exchange	£600
11 May 2023	Faster Payment to Third-Party	£20,000
15 May 2023	Debit card payment to crypto exchange	£4,900
15 May 2023	Faster Payment to Third-Party	£10,100
20 May 2023	Debit card payment to crypto exchange	£4,900
20 May 2023	Debit card payment to crypto exchange	£4,800
20 May 2023	Debit card payment to crypto exchange	£4,700
20 May 2023	Debit card payment to crypto exchange	£4,600
20 May 2023	Debit card payment to crypto exchange	£1,005
26 May 2023	Debit card payment to crypto exchange	£4,900
26 May 2023	Debit card payment to crypto exchange	£4,800
26 May 2023	Debit card payment to crypto exchange	£300
28 May 2023	Debit card payment to crypto exchange	£4,900
28 May 2023	Debit card payment to crypto exchange	£5,000
Total Loss		£188,860

After seeing an unauthorised withdrawal from one of his other accounts Mr P spoke to the third-party and realised he had been scammed. He contacted Revolut to raise a claim but was told he wouldn't receive a refund as Revolut hadn't done anything wrong. Unhappy with that response Mr P brought his complaint to the Financial Ombudsman.

Our investigator didn't think the complaint should be upheld. He said that Mr P was under the influence of the scammer and provided inaccurate payment reasons to Revolut. Our investigator said that it was clear Mr P would say anything the scammer told him to say to Revolut and E so that the funds could be released. As a result, our investigator didn't think Revolut could've reasonably done more here to stop the scam and recover Mr P's money.

Mr P disagreed and asked for an Ombudsman's review. He said Revolut should've been suspicious of the payment reason he selected of 'Safe account' and that it should've intervened further here. If it had the scam would've been uncovered.

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 reached the same conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Mr P has been the victim of a cruel scam. I know he feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I have to make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

It is common ground that Mr P authorised the scam payments of around £188,860. I accept that these were authorised payments even though Mr P was the victim of a scam. So, although it wasn't his intention to pay money to the scammers, under the Payment Services

Regulations 2017 (PSRs) and the terms of his account, Mr P is presumed liable for the loss in the first instance.

However, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud.

Revolut's first obligation is to follow the instructions that Mr P provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect Revolut to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect Revolut to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There might also be cases where it's appropriate for Revolut to refuse to follow the instruction if there are good grounds to believe it is being made as a result of a fraud or scam.

I've seen that Revolut stopped some of the faster payments Mr P made here and asked for the payment reason. On 08 May 2023 when sending the £19,900 faster payment, Mr P was invited to the in-app chat after selecting 'safe account' as the payment reason. He then told Revolut that no one had contacted him out of the blue asking him to move his money and that no screen sharing software was involved. The faster payment was then released. The same questions were asked of Mr P when he made the £20,000 on 11 May 2023 and he answered the questions the same way.

Mr P argues that Revolut should've done more here to stop these payments. I agree that more of the crypto payments should've been stopped. But I don't think I need to say at which point because I don't think it would've made a difference. That's because, there's a clear level of coaching on the chat which involved examples of what to say to a firm when it questioned Mr P about why he was making the payments - which I think shows that he was under the spell of the scammer and was - on balance - willing to say anything the scammer told him to say to Revolut so that the payment/s would be sent. There were also multiple phone calls that took place between him and the scammer around the time of the payments. I don't have recordings of those conversations, but I'm persuaded he was being coached here - which is supported by the chat I've seen. As a result, I'm satisfied he was completely under the control of the scammer when sending this money.

Given the inaccurate payments reasons Mr P was selecting here, I think it was more likely than not he wouldn't have been honest about the reason why he was making the payments to the crypto exchange. This most likely would've led to Revolut inviting him to an in-app chat to ask him more questions. And if he had been invited to an in-app chat with Revolut, I'm not satisfied he would've been honest about the reasons why he was making the payments. The evidence shows he wasn't willing to explain that there was a third-party involved and that he hadn't been told to download any screen sharing software. So, I don't think he would've responded truthfully to any probing questions around his reasons for opening an account at a crypto exchange, how he had found the investment opportunity, and that the money was being forwarded to a third-party merchant from that crypto exchange.

I've listened to the calls Mr P had with E here and he was happy to provide inaccurate answers as to why he was sending money to his Revolut account and how long it had been open for, like he did to Revolut when it asked if anyone else was involved in him sending the money and in relation to the screen sharing software.

So, although I agree that Revolut should've stopped more of the payments to the crypto exchange, I'm not satisfied this would've made a difference. Although Revolut is expected to intervene on suspicious payments and ask probing questions its failure to do so doesn't

automatically mean the complaint should be upheld, there's evidence of coaching from a scammer here and Mr P going along with that. As a result, I don't think it's more likely than not that Revolut would've been able to uncover this scam.

Recovery

I've considered whether Revolut acted reasonably when it was made aware of the scam. Having done so, I'm satisfied Revolut didn't treat Mr P unfairly by not attempting to retrieve his money from the crypto exchange because Mr P has confirmed this was sent on to the scammers as per their instructions. Nor were there any other avenues that Revolut could've been successful in retrieving Mr P faster payments here as the beneficiary banks explained no money was available to be returned.

Mr P has asked for compensation from Revolut here but given I don't think it can reasonably be held liable for his loss here I'm not willing to agree to any compensatory payment here. I appreciate this will come as a disappointment to Mr P, and I'm sorry to hear that he has been the victim of a cruel scam. As a result, I'm not persuaded that Revolut can fairly or reasonably be held liable for his loss in these circumstances.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 5 May 2025.

Mark Dobson
Ombudsman