

The complaint

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

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

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 November 2023 Mr C came across an investment advert from a merchant on social media. He reached out and followed a link to a website. He also conducted his own research into the merchant but didn't find anything untoward. He was then introduced to a representative who persuaded him to download screen sharing software and start the investment with a small payment of £200 that he made from another account. In total Mr C funded his Revolut account from another account he held with a Bank – I'll refer to here as E. He also took out a loan to fund the investment. He then made the following payments to the merchant;

Date	Type of transaction	Amount
21 November 2023	Transfer to crypto exchange	£100
24 November 2023	Payment from crypto exchange	£98.05
24 November 2023	Payment from crypto exchange	£46.55
24 November 2023	Transfer to crypto exchange (Declined)	£5,000
28 November 2023	Transfer to crypto exchange	£600
28 November 2023	Transfer to crypto exchange	£750
28 November 2023	Transfer to crypto exchange	£800
28 November 2023	Transfer to crypto exchange	£850
30 November 2023	Transfer to third-party company	£15,000
06 December 2023	Transfer to crypto exchange (Declined)	£900
07 December 2023	Refund from third-party company	£15,000
08 December 2023	Transfer to crypto exchange	£2,000
08 December 2023	Transfer to crypto exchange (Declined)	£4,900
08 December 2023	Transfer to crypto exchange	£1,900
08 December 2023	Transfer to crypto exchange	£1,950
08 December 2023	Transfer to crypto exchange	£1,800
08 December 2023	Transfer to crypto exchange	£1,850
08 December 2023	Transfer to crypto exchange	£2,000
08 December 2023	Transfer to crypto exchange	£2,050
08 December 2023	Transfer to crypto exchange (Declined)	£2,000
08 December 2023	Transfer to crypto exchange (Declined)	£1,500
08 December 2023	Transfer to crypto exchange (Declined)	£2,000
	Total Paid	£31,650
	Refunds	£15,144.60
	Total Loss	£16,505.40

After attempting to make a withdrawal from the merchant, Mr C was told he needed to pay a withdrawal fee. A further loan was taken out to fund the withdrawal fee but when it didn't arrive, Mr C realised he had been scammed. Mr C contacted Revolut to make a claim but was told Revolut wouldn't be offering him a refund. So, he brought his complaint to the Financial Ombudsman.

Our investigator didn't think the complaint should be upheld. She said that Revolut told Mr C they thought it was a scam and after he had told Revolut he thought it was a scam he continued to make payments from this account. When Revolut restricted his account, he then set up a separate account with his wife in her name to make further payments.

Mr C disagreed and asked for an Ombudsman's review. He said that Revolut had been negligent in allowing further payments to be sent after he initially reported the scam. He said he was on sick leave from his job at the time with severe depression which impaired his judgement.

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 C 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 C authorised the scam payments of around £31,650. I accept that these were authorised payments even though Mr C 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 C 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 C 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 C made here to the crypto exchanges and to his own account. When making the crypto payments he was shown a warning that indicated Revolut thought it could be a potential scam. He was then asked questions about the payment where he confirmed no one was guiding him and said the payment reason was to transfer money to another of his accounts despite being given an option to select 'investment'. Mr C was then asked to confirm if he had been told to install screen sharing software which he denied.

When Revolut stopped the £15,000 payment on 30 November 2023 he was told by Revolut that it thought there was a high chance this payment was a scam. Revolut asked Mr C why he was making the payment and he said he was buying goods, he wasn't being guided by anyone and confirmed after sending a selfie that he wanted the payment to be sent. On 1 December 2023, Revolut then restricted Mr C's account because it felt the payments he was making were very likely linked to a scam. At this point, Mr C told Revolut that he wanted to stop the £15,000 payment because he too felt it was a scam. He then confirmed that he was being guided by a third-party, the payment was for crypto and he had been told to download screen sharing software. Revolut confirmed that based upon what Mr C was telling it that his payments were highly likely a scam and gave him advice to check the investment company he was working with was on the Financial Services Register in the United Kingdom and to check trustworthy review sites.

On 06 December 2023 Mr C attempted a further payment to a crypto exchange of £900 which Revolut stopped. When it spoke to Mr C he said that he was planning to buy crypto for himself and to keep it on the crypto exchange. However, the payment wasn't successful. He attempted further payments on 08 December 2023 that were also unsuccessful with Revolut inviting him to the in-app chat to ask questions before the payments timed out.

Based on the above, I think Revolut fairly intervened and told Mr C he was likely being scammed. Mr C then said that he was likely being scammed but carries on trying to make payments. Mr C then later concedes in the chat with Revolut that he was 'warned and warned' by Revolut but he ignored them. Mr C has now said that Revolut should've blocked his account and stopped him from making any further payments. However, even if Revolut had completely blocked his account, I'm not satisfied this would've stopped him from continuing to send payments to the scammer. I'll explain why.

I've noted that E intervened on payments Mr C was making from that account between 5 and 8 December 2023. He had also taken out a loan. E asked Mr C why he was making the payments to his Revolut account and about the loan. Mr C said that he was taking his wife away for Christmas and a wedding anniversary. In his calls with E, Mr C said that he wasn't being guided to make the payments, wasn't asked to mislead the bank, he hadn't been helped to open the Revolut account and he hadn't downloaded any screen sharing software. He then later tells E that the loan was for a car for his wife for their anniversary and was given further scam warnings before the payment to the Revolut account was released. Later payments were stopped by E, where Mr C responds inaccurately, confirming he was making the payments by himself for his son's wedding. E told him that scammers were guiding customers to open accounts for investments and that this could be a scam, but Mr C continued to make the payments. Mr C also sent money to his wife's Revolut account so that payments could be made from there towards this scam.

Overall, having thought very carefully about this, I'm not persuaded Revolut could have deterred Mr C from making further payments even if it had done a better job in providing him with warnings and information about cryptocurrency scams. And even if Revolut had stopped and blocked all of the payments after Mr C made it aware of this scam (as Mr C argues here), I'm persuaded on balance that he would've continued to try and make payments. I think he would've sent whatever funds he had left in his Revolut account either to his wife's

account or back to his account with E before finding other ways to send that money to the scammers. I say this because he was warned clearly by Revolut, admitted he had been scammed and then received further warnings from E. That persuades me Mr C appears to have been determined to continue to make payments despite warnings and his own personal significant reservations.

Finally, I acknowledge that Mr C was in a very difficult position at the time of the scam. He was unwell, and the fraudster seems to have clearly taken advantage of this, in a very cruel way. But as Revolut wasn't aware of his personal circumstances I can't take that into account when considering the actions Revolut took here.

I know the outcome I've reached will be disappointing for Mr C, and I am very sorry he fell victim to such a cruel scam during an already difficult time in his life. However, I have to remember that it's not Revolut who has stolen this money – it's a fraudster. And I can only hold Revolut liable for the losses Mr C has suffered if I can be persuaded from the evidence that its errors had a material impact on the losses he suffered. But I don't think that's the case here. The evidence compels me to believe that Mr C was likely so convinced by the fraudster, that he was not accepting of risks brought to his attention and would still have wanted to proceed. So, I don't find Revolut is liable for his loss.

Recovery

Revolut successfully recovered the £15,000 payment Mr C made on 30 November 2023. The remaining payments were made to a genuine crypto exchange before the funds were used to buy crypto and forwarded to the scammer. So, it wasn't possible to recover those funds as per Mr C's own evidence.

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 Mr C to accept or reject my decision before 26 May 2025.

Mark Dobson
Ombudsman