

## The complaint

Miss P has complained Revolut Ltd failed to sufficiently intervene causing her to fall victim to an authorised push payment (APP) scam.

## What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. In summary, Miss P says she fell victim to an investment scam after the alleged scammers, who were also part of the same social media group as her, shared a link to join their investment group chat in a messenger service. She says she had invested with the alleged scammers twice before, making a profit on each occasion. However, in this instance, following a sufficiently larger investment, she did not receive the expected return. Miss P says she realised it was a scam when the alleged scammers ceased all contact with her, removing her from the investment group and no longer maintaining their company website.

The relevant transaction history from her account statements are as follows:

Payment	Date	Transaction Type	Amount
1	26 April 2021	Transfer to scammers	€55,000
2	30 April 2021	Transfer to scammers	€60,000

Our Investigators did not uphold the complaint because they did not think there was enough evidence of a scam. They also said even if this was a scam that Revolut would not have been able to prevent the losses, because Miss P would still have wanted to complete the transfer.

However, Miss P disagreed with this and maintained her stance that Revolut should have intervened. So, the complaint has been passed to me for a 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.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I am sorry to learn of Miss P's loss of funds. However, it would only be fair for me to tell Revolut to reimburse her for her loss (or a proportion of it) if: I thought Revolut reasonably ought to have prevented all (or some of) the payments she made, or Revolut hindered the

recovery of the payments Miss P made – whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Revolut treated Miss P fairly and reasonably in its dealings with her, when she made the payments and when she reported her concerns to it, or whether it should have done more than it did. Having done so, I've decided to not uphold Miss P's complaint. I know this will come as a disappointment to her and so I want to explain why I've reached the decision I have.

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. However, taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice Revolut should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

Whether someone has been scammed or the matter is a civil dispute can be finely balanced. In this instance Miss P knowingly made the payments to the alleged scammers, so they are APPs. But for me to be satisfied someone has been the victim of an APP scam, I need evidence to show the customer has been dishonestly deceived about the purpose of the payments at the time they were made.

At the time of the transfers Miss P was under the belief it was, which it may well have been, a legitimate investment with a legitimate firm registered with Companies House that she had a written contract with. Miss P had also successfully invested with the alleged scammers twice before, albeit with smaller amounts. She had met with the directors in person and maintained communication with them for circa two years. She also confirmed she had completed her own research first, which would not have, as far as I can see, led to the discovery of any active warnings about the alleged scammers or their firm. I've also noted the funds were used for what they were intended, a cryptocurrency investment, or at the very least being transferred to a cryptocurrency exchange which would support such an investment.

I've noted that there is now a warning on the Financial Conduct Authority's website about the alleged scammer's firm. However, based on the evidence I've seen, I'm not persuaded that Miss P has been the victim of a scam because I've not seen enough to show the alleged scammers dishonestly deceived her about the purpose of the payments at the time they were made.

However, even if I was persuaded this was a scam from the outset, I do not think Revolut could have prevented Miss P's losses. I say this because, although I do think Revolut failed to intervene, such as via its in app chat, before allowing the payments to be made, I do not think it would have made any difference. I am persuaded Miss P's belief in the investment would have impacted how she would have responded. I do not doubt her answers would have been open and honest, but they most likely would have alleviated Revolut's concerns. For example, Miss P highlighting she originally met the alleged scammers through a social media group chat would usually be a potential red flag. However, Miss P would have revealed she had over the last two years successfully invested and received profits. Not every advert or group on social media will be a scam and so this would have added to the legitimacy of this firm. She would also no doubt have informed Revolut the beneficiaries were a registered company, she had met with the directors in person and had a contract with them. Such circumstances are not typical of a scam and would have portrayed to Revolut the company was providing legitimate services (at least at that point).

Additionally, I have considered the responses Miss P gave when Revolut was seeking additional information from her a few months after her investment. On 30 July 2021 she informed Revolut:

“I am really concerned with the level of investigation into people’s account and money I just upgraded with revolut and it’s more than two months that I have restricted access. Another week and I will be moving all the funds to a bank that doesn’t ask so many questions”.

On 6 August 2021:

“I am really disappointed in all the questions you’re making and please if this is not enough, I want to withdraw/transfer my money to another bank. Please let me know how to do so.”

...

“If I want to close my account, because I find this ridiculous and really intrusive, what would the steps be?”

Miss P’s belief in the investment and trust she had in the alleged scammers no doubt impacted her approach to Revolut’s questions here. But, I am persuaded that had Revolut tried to prevent her from completing these transfers that she would have done so via another means.

I am sorry to hear about the vulnerable situation Miss P was in at the time of the scam and how the alleged scammers may well have used this to ensure she invested. The repercussions such a cruel scam has had on Miss P is not something I have overlooked when reaching my decision. However, I have not seen a pattern emerge that would have highlighted to Revolut that Miss P had vulnerabilities, or that they may have been impairing her decision-making during this scam. I am empathetic towards her, but I do not consider her vulnerabilities, in isolation of any other clear indicators of a potential risk of financial harm, to be something that should have triggered further red flags for Revolut. I also have not seen evidence Revolut was made aware of her vulnerabilities.

Therefore, although I do think Revolut should have intervened here, I am not persuaded it could have prevented Miss P’s losses occurring.

### Recovery

I’ve thought about whether there’s anything further Revolut could have done to help Miss P. Revolut has supplied me with evidence Miss P’s funds had been transferred out of the alleged scammer’s account as soon as they arrived. So, I don’t think they could reasonably have done anything more to recover the payments. Therefore, I won’t be asking Revolut to do anything further.

### **My final decision**

My final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss P to accept or reject my decision before 20 June 2025.

Lawrence Keath

**Ombudsman**