

The complaint

Mr V is unhappy that Revolut Ltd haven't refunded money he lost as a result of a scam.

Mr V is being represented by a claims management company but for ease of reading I'll only refer to Mr V in the decision.

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 2020 Mr V thought he had invested in crypto with two merchants which eventually turned out to be a scam. On 06 September 2023, he was then contacted by another merchant who told him he was owed £40,900 in compensation by the two previous merchants. Mr V asked the merchant to provide evidence of the compensation and he was given something in writing. The amount that was promised was then deposited into a crypto wallet that Mr V had used for the previous scam. Mr V did his own research and believed the merchant to be genuine. He was told by the merchant to download screen sharing software, open an account with Revolut and another bank – who I'll refer to here as 'E'. Mr V said he had an old Revolut account which was then used to send money to his account at E before being moved to a genuine crypto exchange.

In total Mr V sent around £196,000. He received around £15,600 in credits from the merchant leaving a total loss of roughly £181,000. Mr V realised he had been scammed when he saw the scammer using the screen sharing application on his computer without his permission.

Mr V then made a claim to Revolut. Revolut reviewed his claim but decided not to refund him. So, he brought his complaint to the Financial Ombudsman.

Our Investigator didn't think the complaint should be upheld. She said that Revolut did intervene on some of the payments, but Mr V didn't answer the questions he was asked accurately. And because of his answers Revolut couldn't reasonably have been expected to stop the scam.

Mr V disagreed and asked for an Ombudsman's review. He said he was sending money to a high-risk recipient that Revolut would've been aware of. He said Revolut should've intervened more than it did and it should've asked him more probing questions and provided warnings which in turn would've created doubt in his mind.

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 sorry Mr V has been the victim of a scam, and I don't underestimate the impact this has had on him. But I must consider whether Revolut is responsible for the loss he has suffered.

And while I realise this isn't the outcome Mr V is hoping for, for similar reasons as our Investigator, I don't think it is. I therefore don't think Revolut has acted unfairly by not refunding Mr V's loss. I'll explain why.

It isn't in dispute that Mr V authorised the payments here. And, under the Payment Services Regulations 2017 and the terms of his account, Revolut are expected to process the payments and Mr V is presumed liable for the loss in the first instance.

However, taking into account the 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 to help protect customers from the possibility of financial harm from fraud.

Revolut asked Mr V information about the payments before processing them. But he doesn't think it went far enough here – and that if it had delved more deeply, his loss would've been prevented.

So, the starting point here is whether the instructions given by Mr V to Revolut were unusual enough to have expected additional checks being carried out before the payments were processed. But I must keep in mind that Revolut processes high volumes of transactions each day; and that there is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

Overall, I can see Revolut stopped some of the payments. And given the number of payments that were being made I think it reasonably should've stopped more. However, I don't think it would likely made a difference here.

I can see on the chat transcripts between Revolut and Mr V that when it first intervened on 18 September 2023, it said to Mr V;

"Your account is currently restricted because we believe it is highly likely that the transactions you are attempting to make are part of a SCAM. We've recently spoken with another customer who attempted very similar transactions to yours – they confirmed it was a scam. Please assist me with this review, we want to keep your funds safe and secure."

It then proceeded to ask Mr V some questions about why he was making the payment. It asked him if he recognised some devices that had accessed his account. When he didn't recognise one of the devices it asked him to change his passcode – which he did.

Revolut then asked Mr V if he recognised the transactions on his account to E – which he said he did. It then asked him;

- "1. Have you recently downloaded any screen sharing application...?"*
- 2. Were you advised to create a Revolut account after learning about an Investment opportunity advertised on social media?"*
- 3. Have you received any unsolicited calls or messages recently telling you need to move your money to a safe account or to create a Revolut account for investment purposes?"*
- 4. Are you buying cryptocurrencies?"*
- 5. Could you please clarify the reason for accessing your account via web-browser."*

In response Mr V initially said he didn't have a lot of time and he didn't understand why he was being asked all the questions. Revolut told him it thought he was falling victim to a scam and wanted to make sure his account was safe. Mr V then answered 'No' to the first four questions above and confirmed he was using his browser because it was more comfortable. But that wasn't an accurate answer to question five in relation to the screen sharing software

and by doing so, this persuaded Revolut that one of the common occurrences of a scam – downloading screen sharing software to support payments towards a scam wasn't the reason for the software it could detect.

Mr V then confirmed he was sending money to his own account and the reason he wasn't using his main account to make the payments was because of the speed in which he could make the payments from his Revolut account. However, the main reason for using the Revolut account was because he had been told to use his Revolut account by a third-party involved in the transfer of his money before then buying crypto. Mr V then said he was in control of the account at E and that he could move money from it. And that he wasn't concerned about the access to his account by an unrecognised device saying that this was probably from when he had accessed his account in the past whilst he was abroad.

Revolut then stopped a further payment on 25 September 2023 and limited Mr V's account. He was then invited to the in-app chat to discuss this further. Revolut again told him that the account had been restricted because it thought it was highly likely he was making payments that were a part of a scam. He then told Revolut that he was making a purchase online with a reference of 'Software' before the payment was released.

When Mr V reported the scam on 01 October 2023 he then answered the same questions from Revolut about screen sharing software and why he was sending money to that account differently. He then said he had downloaded screen sharing software and that he was using the money to buy crypto.

So, I've thought carefully whether Revolut could've done more here by asking more probing questions or making further interventions. But I don't think it could've. Firstly, Mr V was very clear that he hadn't downloaded any software, he wasn't buying crypto and that the decision to send the money to E was all of his own fruition. He then told Revolut that any unrecognised device was probably him whilst he was abroad in the past. I note he also became agitated when Revolut stopped the payment on 25 September 2023 telling the staff member that he had already provided a selfie and answered these questions recently. So, I'm not persuaded any further probing questions or further interventions would've made a difference here. I think it's more likely than not that Mr V would've maintained that there were no third parties involved in the payments he was making and that he was using the money to make purchases online like he did consistently to Revolut when it asked him for payment reasons. He was also clear that he was using Revolut for ease of use rather than being told by a third-party that it was better to use Revolut to make the payments.

Ultimately, Revolut could've asked some further probing questions and provided some warnings. But it had already told Mr V (who to be clear had been scammed previously in 2020) that it thought the payments he was making were very likely a part of a scam. So, I don't think providing further warnings about the use of screen sharing software (I can see he was provided with a warning about scammers using remote access software) would've made a difference to his decision to continue sending the money here. It was clear from the questions Revolut was asking that using screen sharing software and having an unrecognised device was an issue for his account – which is why he was asked to change his password. And for Revolut to provide warnings about common crypto scams it would've needed Mr V to respond accurately about the reasons for moving his money to E, because Revolut wouldn't have reasonably known why he was making the payments (crypto investment/recovery scam) because he wasn't sending money to a crypto exchange directly.

Recovery

The majority of the payments here were made to an account Mr V held at E before being moved on to a crypto exchange. There were then three other payees who told Revolut that

the money wasn't recoverable. So, I'm satisfied there wasn't anything further Revolut could've done to recover Mr V's money here.

I have a great deal of sympathy for Mr V and the loss he's suffered. But it would only be fair for me to direct Revolut to refund his loss if I thought it was responsible – and I'm not persuaded that this was the case. For the above reasons, I think Revolut hasn't acted unfairly and so I'm not going to tell it to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 25 July 2025.

Mark Dobson
Ombudsman