

## The complaint

Mr C complains Revolut Ltd hasn't refunded him after he fell victim to a cryptocurrency investment scam.

Mr C is represented in his complaint by a claims management company I'll call C. But I'll mostly refer to Mr C throughout.

## What happened

I issued a provisional for Mr C's complaint on 11 October 2024 and both parties have now had an opportunity to respond.

The content of that provisional decision is copied at the end of this final decision, in *italics*. I won't then set out all that detail again here. Instead, I'll explain what has happened since.

Mr C has accepted the outcome and no further points to add.

Revolut hasn't responded to say whether it accepts or not. And it's provided no further evidence or information.

As the deadline for responses has now passed, it's fair and reasonable for me to proceed to the final 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've already set out my findings on this complaint in the provisional decision. As with the background to the complaint, I won't then repeat all that was said, a referral to the content of the provisional decision included at the end of this final decision is sufficient.

As Mr C has accepted and Revolut hasn't responded, I see no reason to depart from my provisional decision. Nor is there any need for me to expand or alter my reasoning. I find Mr C's complaint ought to be upheld.

## Putting things right

On Mr C's acceptance of this final decision Revolut should:

- Reimburse 50% of Mr C's loss from the payment of £4,650 on 3 August 2022 onwards (£164,602/2 = **£82,301**); and

- Pay interest on that reimbursement at 8% simple per year, calculated from the date of loss until the date of settlement. In making this interest award I have taken account of the source of funds and that this includes money borrowed from other lenders. Mr C has provided evidence to show this lending has been repaid using money obtained through equity release on his home. Given he's not then had access to that money, I find it's fair and reasonable to award interest on it as I'm satisfied he might have otherwise used it in a variety of ways.

### **My final decision**

I uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 22 November 2024.

### **Provisional decision**

*I've considered the relevant information about this complaint.*

*I'll look at any more comments and evidence that I get by 25 October 2024. But unless the information changes my mind, my final decision is likely to be along the following lines.*

### **The complaint**

*Mr C complains Revolut Ltd hasn't refunded him after he fell victim to a cryptocurrency investment scam.*

*Mr C is represented in his complaint by a claims management company I'll call C. But I'll mostly refer to Mr C throughout.*

### **What happened**

*In late July 2022, Mr C saw an advert online for what appeared to be a cryptocurrency investment broker. The advert featured an endorsement from Martin Lewis, which gave Mr C confidence it was legitimate and the firm trustworthy. Unfortunately, unbeknownst to Mr C at the time, the advert had been created by fraudsters, and the endorsement he trusted was fake.*

*Unaware of this at the time, Mr C submitted his details using an online form and was soon contacted by scammers. Mr C was drawn in by what the scammers told him, and he's described how they sounded knowledgeable and professional. He was told the firm was registered with the FCA. He decided to invest and was instructed to set up accounts with two electronic money institutions (EMIs) – Revolut and another I'll call W. The scammers told Mr C he'd need those accounts as the bank where his current account was held – which I'll call N – wasn't friendly toward cryptocurrency. He was also instructed to set up a cryptocurrency wallet and was guided through all these processes.*

*Once these were established, Mr C was told he'd need to use the accounts to fund cryptocurrency purchases. These started with W, with what's known as peer-to-peer cryptocurrency purchases. Transactions with W were very limited, and the scam activity quickly moved to Mr C's newly created Revolut account. Transactions started to be paid out from the account on 2 August 2022. The Revolut account was used to make payments direct to Mr C's newly created cryptocurrency wallet.*

Once each transaction was complete, the scammer instructed Mr C to transfer the purchased cryptocurrency on, from which point it was lost to him. Mr C did this with the belief he was funding an investment portfolio. But anything sent was falling into the hands of the scammers.

The scammers kept Mr C's confidence by giving him access to what appeared to be a genuine investment platform where he could see his sum invested, holdings, and returns. But this was all fake.

Mr C was shown that he was making significant returns on the money he was investing and was encouraged to put in more and more. Some of the money he paid to the supposed investment was funded through loans with N and another lender. He realised he'd been scammed when he made a payment toward the investment, but it didn't reflect on his account. The scammer then cut off all contact. By this time Mr C had lost £176,681 to the scam.

Mr C tried to raise the scam claim through Revolut's in-app chat but ultimately was unable to do so. And so he instructed C to raise the complaint on his behalf.

Revolut considered what had happened and said it wouldn't refund Mr C. It said it had tried to contact him for more detail about the scam via the in-app chat function and asked that he respond there with more detail so that it might investigate.

There was then further reasoning for not upholding the complaint put forward by Revolut, once it was with our service. Revolut said it wouldn't reimburse Mr C because he'd authorised the payments himself. Revolut also said it had warned against scams and Mr C had proceeded to make payments regardless. And it didn't feel Mr C had done enough to ensure the parties he was dealing with were legitimate.

Revolut believes N had been well placed to detect the scam, and so ought to be considered responsible. And it further stated that Mr C's losses only occurred from his cryptocurrency wallet once the funds were moved on, and not from his account with Revolut.

One of our investigators said Revolut ought to have done more when Mr C attempted to make a payment of £4,650 to his cryptocurrency wallet on 3 August 2022. He noted that brought the total sent that day to more than £10,000, which Revolut ought to have identified as bearing a significant risk. His finding was then that Revolut ought to have stopped that payment and proceeded with some form of human intervention, so the circumstances behind the payment could be questioned and a tailored scam warning delivered.

Our investigator went on to think about the likely outcome of such an intervention and warning. In doing so, he considered what had happened when Mr C was sending money from his account with N to Revolut, as it had intervened to question some of those payments.

He noted that N hadn't discussed investment or cryptocurrency scams with Mr C, and it didn't know the details about the trading platform or broker. But that was because Mr C hadn't told N he was moving the money to Revolut for the purpose of cryptocurrency investment. Instead, he'd told N a few different things: that he was moving his money to his newly opened account so he could generally use it from there, that the money was likely to be spent on home improvements, and that it might be used to pay for a holiday.

Our investigator thought it was then likely that Mr C would have given a similar explanation to Revolut, had it intervened, and that he still would have proceeded with the payments. And so, overall, our investigator didn't think it would be fair and reasonable to say Revolut ought

to reimburse Mr C. He didn't think Revolut could have prevented the scam, given Mr C's actions elsewhere.

Mr C disagreed with that outcome and asked that an ombudsman review his complaint against Revolut.

As a point of note, Mr C did also complain to us about N in respect of the same scam. Our investigator didn't uphold that complaint, broadly speaking, because of the aforementioned interventions and Mr C's responses to them. But that complaint hasn't been referred to an ombudsman for a final decision.

### **What I've provisionally 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.

Subject to any further information or evidence from either party, my final decision will follow the findings set out here.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

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.

And, as the Supreme Court has recently reiterated in *Philipp v Barclays Bank UK PLC*, subject to some limited exceptions banks have a contractual duty to make payments in compliance with the customer's instructions.

In that case, the Supreme Court considered the nature and extent of the contractual duties owed by banks to their customers when making payments. Among other things, it said, in summary:

- The starting position is that it is an implied term of any current account contract that, where a customer has authorised and instructed a bank to make a payment, it must carry out the instruction promptly. It is not for the bank to concern itself with the wisdom or risk of its customer's payment decisions.
- At paragraph 114 of the judgment the court noted that express terms of the current account contract may modify or alter that position. In *Philipp*, the contract permitted Barclays not to follow its consumer's instructions where it reasonably believed the payment instruction was the result of APP fraud; but the court said having the right to decline to carry out an instruction was not the same as being under a legal duty to do so.

In this case, the terms of Revolut's contract with Mr C modified the starting position described in *Philipp*, by expressly requiring Revolut to refuse or delay a payment "if legal or regulatory requirements prevent us from making the payment or mean that we need to carry out further checks".

*So Revolut was required by the implied terms of its contract with Mr C and the Payment Services Regulations to carry out their instructions promptly, except in the circumstances set out in its contract, which included where regulatory requirements meant it needed to carry out further checks.*

*Whether or not Revolut was required to refuse or delay a payment for one of the reasons set out in its contract, the basic implied requirement to carry out an instruction promptly did not in any event mean Revolut was required to carry out the payments immediately<sup>1</sup>. Revolut could comply with the requirement to carry out payments promptly while still giving fraud warnings, or making further enquiries, prior to making the payment.*

*And, I am satisfied that, taking into account longstanding regulatory expectations and requirements and what I consider to have been good industry practice at the time, Revolut should in September 2022 fairly and reasonably have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances (irrespective of whether it was also required by the express terms of its contract to do so).*

*In reaching the view that Revolut should have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances, I am mindful that in practice all banks and EMI's like Revolut do in fact seek to take those steps, often by:*

- using algorithms to identify transactions presenting an increased risk of fraud;<sup>2</sup>*
- requiring consumers to provide additional information about the purpose of transactions during the payment authorisation process;*
- using the confirmation of payee system for authorised push payments;*
- providing increasingly tailored and specific automated warnings, or in some circumstances human intervention, when an increased risk of fraud is identified.*

*In reaching my conclusions about what Revolut ought fairly and reasonably to have done, I am also mindful that:*

- Electronic Money Institutions like Revolut are required to conduct their business with “due skill, care and diligence” (FCA Principle for Businesses 2), “integrity” (FCA Principle for Businesses 1) and a firm “must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems” (FCA Principle for Businesses 3)<sup>3</sup>.*
- Over the years, the FCA, and its predecessor the FSA, have published a series of publications setting out non-exhaustive examples of good and poor practice found when reviewing measures taken by firms to counter financial crime, including various iterations of the “Financial crime: a guide for firms”.*

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<sup>1</sup> The Payment Services Regulation 2017 Reg. 86 states that “the payer’s payment service provider must ensure that the amount of the payment transaction is credited to the payee’s payment service provider’s account **by the end of the business day following the time of receipt of the payment order**” (emphasis added).

<sup>2</sup> For example, Revolut’s website explains it launched an automated anti-fraud system in August 2018: [https://www.revolut.com/news/revolut\\_unveils\\_new\\_fleet\\_of\\_machine\\_learning\\_technology\\_that\\_has\\_seen\\_a\\_fourfold\\_reduction\\_in\\_card\\_fraud\\_and\\_had\\_offers\\_from\\_banks/](https://www.revolut.com/news/revolut_unveils_new_fleet_of_machine_learning_technology_that_has_seen_a_fourfold_reduction_in_card_fraud_and_had_offers_from_banks/)

<sup>3</sup> Since 31 July 2023 under the FCA’s new Consumer Duty package of measures, banks and other regulated firms must act to deliver good outcomes for customers (Principle 12), but the circumstances of this complaint pre-date the Consumer Duty and so it does not apply.

- *Regulated firms are required to comply with legal and regulatory anti-money laundering and countering the financing of terrorism requirements. Those requirements include maintaining proportionate and risk-sensitive policies and procedures to identify, assess and manage money laundering risk – for example through customer due-diligence measures and the ongoing monitoring of the business relationship (including through the scrutiny of transactions undertaken throughout the course of the relationship). I do not suggest that Revolut ought to have had concerns about money laundering or financing terrorism here, but I nevertheless consider these requirements to be relevant to the consideration of Revolut's obligation to monitor its customer's accounts and scrutinise transactions.*
- *The October 2017, BSI Code<sup>4</sup>, which a number of banks and trade associations were involved in the development of, recommended firms look to identify and help prevent transactions – particularly unusual or out of character transactions – that could involve fraud or be the result of a scam. Not all firms signed the BSI Code (and Revolut was not a signatory), but the standards and expectations it referred to represented a fair articulation of what was, in my opinion, already good industry practice in October 2017 particularly around fraud prevention, and it remains a starting point for what I consider to be the minimum standards of good industry practice now (regardless of the fact the BSI was withdrawn in 2022).*
- *Revolut should also have been aware of the increase in multi-stage fraud, particularly involving cryptocurrency when considering the scams that its customers might become victim to. Multi-stage fraud involves money passing through more than one account under the consumer's control before being sent to a fraudster. Our service has seen a significant increase in this type of fraud over the past few years – particularly where the immediate destination of funds is a cryptocurrency wallet held in the consumer's own name. And, increasingly, we have seen the use of an EMI (like Revolut) as an intermediate step between a high street bank account and cryptocurrency wallet.*

*Overall, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in September 2022 that Revolut should:*

- *have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;*
- *have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;*
- *in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does); and*
- *have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.*

*Should Revolut have recognised that Mr C was at risk of financial harm from fraud?*

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<sup>4</sup> BSI: PAS 17271: 2017" Protecting customers from financial harm as result of fraud or financial abuse"

*I'm satisfied that Revolut ought to have identified that Mr C was at risk of financial harm through fraud. There were risk factors clearly present that Revolut ought to have identified as being connected to cryptocurrency investment scams.*

*Within two days of the account being established, Mr C made four payments to known cryptocurrency platforms. By the fourth payment (the one for £4,650), the total value of funds sent was £12,084, a sum that Revolut ought to have been concerned by, especially as all of that money was being sent to a cryptocurrency platform.*

*In making that finding I am conscious that the account was newly created, and so Revolut didn't have historical transaction data to use in an assessment of risk. However, I'm satisfied that the value and frequency of the payments made was enough to put Revolut on notice that Mr C was at risk of financial harm through fraud.*

*This position is strengthened by the fact that the payments being made didn't match the stated account purpose at all. Mr C was asked why he was opening the account at the time of application. He told Revolut the account was to be used for day-to-day spending. But the cryptocurrency activity clearly didn't match that stated and expected account usage. Revolut ought to have taken account of this when assessing the risk of the payments being made.*

#### *What did Revolut do to warn Mr C?*

*Revolut has said it gave Mr C two different sets of warnings. It says these were given on 12 August 2022, when Mr C set up a new payee on his account. The new payee was one of his cryptocurrency wallets.*

*The first warning said:*

***Do you know and trust this payee?*** *If you're unsure, don't pay them, as we may not be able to help you get your money back. Remember, fraudsters can impersonate others, and we will never ask you to make a payment.*

*Mr C clicked to proceed with the payment. Revolut says it then held the payment, carried out a 'real time assessment', and presented what it describes as a storyboard warning that Mr C had to click through.*

***This transfer could be a scam.*** *Our system identified this transfer as suspicious, so we moved it to 'pending'.*

***Victims lose millions every year.*** *In 2020, in the UK alone victims lost £479m to bank transfer scams. It's important that you take care and do your research before making a payment as once funds have been received by a fraudster, they're difficult to get back.*

***Fraudsters are professionals.*** *They'll try to trick you into sending them money by pretending to be someone you trust. They can make their calls, emails and advertisements seem legitimate.*

***You're at risk of losing money.*** *This payment is suspicious, only proceed if you're sure it isn't a scam.*

*Revolut has said it asked Mr C to select a purpose for his payment. Though, in other correspondence, it has also said no payment purpose was given. It's also said Mr C was shown tailored warnings related to the nature of the payment, though I've seen no evidence of any warnings other than those set out above. And it appears no warnings were given at any point earlier than 12 August 2022.*

*The warnings Revolut did give didn't come early enough. And, in any case, I don't believe that any of the warnings provided represent a proportionate response to the risk presented, either on 3 August 2022 or on 12 August 2022 (when they were shown, for a £20,000 payment to a new payee). While I accept that Revolut has attempted some steps to prevent harm from fraud, the warnings it provided were too generic to have the necessary impact, unless Mr C already had doubts about who he was speaking to (and, at the point of making the transactions, I haven't seen evidence that he had those doubts).*

*What kind of warning should Revolut have provided?*

*I've already said that Revolut ought to have intervened on the payment of £4,650 on 3 August 2022. Given the identifiable scam risk, I'm satisfied a proportionate response would have been for Revolut to have attempted to establish the circumstances surrounding the payment before allowing it to debit Mr C's account. I think it should have done this by, for example, directing Mr C to its in-app chat to discuss the payment further.*

*If Revolut had provided a warning of the type described, would that have prevented the losses Mr C suffered from the second payment of 3 August 2022 onward?*

*I'm persuaded that Revolut could have prevented any further loss to Mr C. I say as much because it is the case that he'd received no specific or tailored warning or education about investment scams. Had he done so, and as should have happened, then I'm persuaded he would have responded to it, for fear of losing any more money.*

*Had Revolut had a proper discussion with him about the payments it seems more likely than not Mr C would have revealed the details of what he was doing, and the common features of cryptocurrency investment scams would have been revealed.*

*In making these findings I have considered the interventions and conversations that took place with N. And there are some key things to highlight as to why my findings then differ from our investigator's.*

*Mr C had been told by the scammer that N was not friendly to cryptocurrency transactions. This is the reason he was given to mislead N. No such explanation was given by the scammer in respect of Revolut and so Mr C wouldn't have believed there was a need to disguise the true payment purpose. It seems more likely than not to me Mr C would have explained what he was doing if questioned properly by Revolut.*

*It is also true that, even if Mr C had tried to disguise the purpose behind the payments, perhaps by using the same explanations as given to N (including house renovations and paying for a holiday), Revolut would have been able to see that simply wasn't true. It would have been clear the money was going to a cryptocurrency platform.*

*It's true that N did intervene in payments Mr C was making between his account there and the one held with Revolut. The possibility of scams was discussed, and Mr C was asked about the purpose behind his payments. I've listened to the calls Mr C has with N when payments are being questioned. It's fair and reasonable to say there is something off about the answers Mr C gives to the questions he's being asked. They are jittery and lack confidence, or at times don't really make sense. This is something that would more likely than not have been apparent to Revolut had it interacted with Mr C in the way it should have. I think the cover story given by Mr C to N would have been revealed for what it was, especially given Revolut had more information than N about the where the money was going and that it was identifiably for cryptocurrency investment.*



*I've also considered that Mr C was in regular contact with the scammers, through messaging and by phone. There is then the possibility he might have been coached through any questions put forward by Revolut. Mr C does appear to have accepted at least some coaching from the scammers previously. But it remains true that Mr C hadn't received (and never did receive) any appropriate scam education. He was never made aware of the common features of such scams or educated on how he might protect himself. It is also true that Revolut ought to have known the payments were being made to cryptocurrency and to have been able to identify the common hallmarks of related scams, including that a customer might be coached into how to answer questions. And so I remain persuaded that proper intervention, questioning the circumstances behind the investment, highlighting those common scam features, and the provision of specific and tailored warnings against proceeding would have had an impact here.*

*With these points in mind, I'm satisfied that Mr C could, and more likely than not would, have been affected by proper interventions and warnings from Revolut. In turn that means I'm persuaded the scam – and Mr C's subsequent loss – could have been prevented.*

*Is it fair and reasonable for Revolut to be held responsible for Mr C's loss?*

*In reaching my decision about what is fair and reasonable, I have taken into account that Revolut received Mr C's funds from N in the first instance. I've also taken into account that the money was used to purchase cryptocurrency which credited a wallet in Mr C's own name, rather than it being the case that payments were made directly to the scammers. So, Mr C remained in control of the money after making the payments from his Revolut account, and it took further steps before it was lost to the scammers.*

*But as I've set out above, I think that Revolut still should have recognised that Mr C might have been at risk of financial harm from fraud when he made the £4,650 payment on 3 August 2022, and in those circumstances Revolut should have made further enquiries about the payment before processing it. If it had done that, I am satisfied it would have prevented the losses Mr C suffered. The fact that the money used to fund the scam came from elsewhere and wasn't lost at the point it was transferred to Mr C's own account does not alter that fact and I think Revolut can fairly be held responsible for Mr C's loss in such circumstances. I don't think there is any point of law or principle that says that a complaint should only be considered against either the firm that is the origin of the funds or the point of loss.*

*I've also considered that Mr C has only pursued his complaint against Revolut to the ombudsman stage of our process. Mr C could instead, or in addition, have sought to complain (or continue to complain) against other firms whose accounts were involved in the scam. But Mr C has not chosen to do that and ultimately, I cannot compel him to. In those circumstances, I can only make an award against Revolut.*

*I'm also not persuaded it would be fair to reduce Mr C's compensation in circumstances where: the consumer has only complained (or continues to complain) about one respondent from which they are entitled to recover their losses in full; has not complained (or continued to complain) against the other firm (and so is unlikely to recover any amounts apportioned to that firm); and where it is appropriate to hold a business such as Revolut responsible (that could have prevented the loss and is responsible for failing to do so). That isn't, to my mind, wrong in law or irrational but reflects the facts of the case and my view of the fair and reasonable position.*

*Ultimately, I must consider the complaint that has been referred to me (not those which haven't been or couldn't be referred to me) and for the reasons I have set out above, I am*

satisfied that it would be fair to hold Revolut responsible for Mr C's loss from the £4,650 payment on 3 August 2022 onwards (subject to a deduction for Mr C's own contribution which I will consider below).

Should Mr C bear any responsibility for his losses?

In considering this point, I've taken into account what the law says about contributory negligence as well as what's fair and reasonable in the circumstances of this complaint. Having done so, I find it would be fair for Mr C's reimbursement from Revolut to be reduced by 50%.

From Mr C's description it appears there were some relatively sophisticated aspects to the scam. There seems to have been a convincing looking online trading platform that responded to the actions taken by or on behalf of Mr C. And he's explained how the scammers always appeared knowledgeable and professional. They also appear to have been happy to discuss any questions he had, either by phone or through messaging.

Mr C has also described how he trusted the online advert for the supposed investment firm and was persuaded by the endorsement of Martin Lewis. He's described trusting it implicitly.

It's not clear to me what returns Mr C was promised from the outset. But, given how much he was persuaded to invest, and how quickly, alongside the steps he took to get as much money into the investment as possible, it seems more likely than not the returns were implausible and too good to be true. In making that finding I've considered how scams of this nature typically unfold, and the false promises that are normally made, alongside Mr C's known actions. That being the case, I find it's fair and reasonable to say that, despite the details I've set out above which made the scam convincing to Mr C, and given the large sums he was willing to commit to the investment, there ought to have been further checks carried out by him to ensure the firm was legitimate and that his money would be safe.

It appears there was little done to ensure the investment firm was a legitimate one. Mr C says he checked online but couldn't find anything of concern. But it also appears to be true there was little available to establish it as a genuine provider of investment related services or advice. There was no genuine firm registered with Companies House and Mr C doesn't appear to have considered checking for one.

The scammers told Mr C that the firm was FCA registered. But that wasn't true, and that fact was easily discoverable with a quick search of the register.

The scammer appears to have used the name of an individual that is registered with the FCA. Mr C's representatives have more recently said he checked her details at the time, though he hadn't mentioned doing so in any earlier correspondence. But, in any case, there was no way to confirm that the scammer was who they claimed to be. I've seen no evidence of any kind of proof being asked for or given. And the individual that is registered with the FCA clearly works at a company that has never featured or been named in the circumstances of the scam.

I'm not suggesting here that Mr C knew or suspected this was a scam from the outset. But I do believe he ought to have questioned what he was getting involved with and how plausible it was. It seems he did do this to an extent, but I'm not persuaded it was reasonable for him to proceed, considering the sums he was committing to the investment, based on the checks he did carry out and where there was, in reality, nothing that would have confirmed the involved parties as legitimate. As with Revolut, his response to the risk was not proportionate in the circumstances of this particular case.

*I've concluded, on balance, that it would be fair to reduce the amount Revolut pays Mr C in relation to the loss because of his role in what happened. Weighing the fault that I've found on both sides, I think a fair deduction is 50%.*

*Could Revolut have done anything more to recover Mr C's money?*

*From reviewing the history of the complaint it's evident that recovery action didn't begin as quickly as it might have. The reasons for that are varied. At times Revolut didn't have enough information to act. At others, I believe it probably did, but still requested more information from Mr C.*

*However, I consider it highly unlikely that any delays – whomever may have caused them – have impacted any prospect of recovery.*

*We know the funds went to cryptocurrency wallets in Mr C's name. The money was then moved on to the scammers as the scam proceeded. And so the money was lost at that same time and there was never any prospect of it being recovered.*

**Putting things right**

*Unless there is further evidence which alters my findings, my intention is to make the following award to Mr C. Should he accept, Revolut will need to:*

- *Reimburse 50% of Mr C's loss from the payment of £4,650 on 3 August 2022 onwards ( $\pounds 164,602/2 = \pounds 82,301$ ); and*
- *Pay interest on that reimbursement at 8% simple per year, calculated from the date of loss until the date of settlement. In making this interest award I have taken account of the source of funds and that this includes money borrowed from other lenders. Mr C has provided evidence to show this lending has been repaid using money obtained through equity release on his home. Given he's not then had access to that money, I find it's fair and reasonable to award interest on it as I'm satisfied he might have otherwise used it in a variety of ways.*

**My provisional decision**

*I intend to uphold this complaint against Revolut Ltd.*

Ben Murray  
**Ombudsman**