

The complaint

Mr E complains that Revolut Ltd won't refund the money he lost when he was the victim of a scam.

What happened

In September 2021, Mr E says he was contacted unexpectedly and told about a cryptocurrency investment company. He says he'd done a little investing in cryptocurrency previously but didn't know much about it, so was interested when the company said it could manage his cryptocurrency investments. And after researching the company online and thinking it looked genuine, he agreed to invest with them.

Mr E says he was guided through setting up wallets with cryptocurrency exchanges and given access to the company's trading platform where he could see the money he had invested and trades being made. And he then made a number of payments from accounts he held with Revolut, and with another bank, to purchase cryptocurrency which he then sent on to wallet details he was given by the investment company.

I've set out the payments Mr E made from his Revolut account which he says were made as a result of this scam below:

Date	Details	Amount
14 September 2021	To 1 st cryptocurrency exchange	£250
17 September 2021	To 2 nd cryptocurrency exchange	£10
22 September 2021	To 2 nd cryptocurrency exchange	£1,000
22 September 2021	To 2 nd cryptocurrency exchange	£4,000
4 October 2021	To 2 nd cryptocurrency exchange	£5,000
4 October 2021	To 2 nd cryptocurrency exchange	£5,000
7 October 2021	To 2 nd cryptocurrency exchange	£6,500
11 October 2021	To 2 nd cryptocurrency exchange	£6,500
8 November 2021	To 2 nd cryptocurrency exchange	£11,140

After he made these payments, Mr E says he was told he needed to pay charges before he could withdraw the profit the trading platform showed he had made. He then realised he had been the victim of a scam and reported the payments he had made to Revolut.

Revolut investigated but said all the payments were initiated and authorised by Mr E and it had proportionate and appropriate controls to mitigate the risk of a scam. So it didn't agree to refund the payments Mr E made. Mr E wasn't satisfied with Revolut's response, so referred a complaint to our service.

I sent Mr E and Revolut a provisional decision on 19 September 2024, setting out why I wasn't intending to uphold the complaint. An extract from the provisional decision is set out below:

"Before our service considers whether a bank has done enough to protect its customers, we must first be satisfied that a customer has been the victim of a scam. But despite requesting

evidence from him on a number of occasions and giving him sufficient opportunity to provide it, I don't think we have enough information or evidence from Mr E here to safely conclude that he has been the victim of a scam.

Mr E says he was first contacted about the investment company in September 2021. But he hasn't been able to send us copies of any communication he had with the scammers from that time. The only communication he's been able to send us copies of is some emails from around a month after he says the scam started, which don't mention any details of how the investment will work or any specific payments he made towards it. And some text messages from more than a year after most of the payments he says are connected to the scam.

Mr E has also said he had only invested a small amount in cryptocurrency before he was contacted about the investment company. But his bank statements show a significant number of payments both to and from a cryptocurrency exchange for more than a year before he says he was first contacted about the investment company. And Mr E hasn't been able to give a plausible explanation for where the significant credits he received from the cryptocurrency exchange came from, given that the credits he received significantly exceed the payments he made to the exchange, or for why he felt the need to use the investment company when he appeared to have done a significant amount of investing with cryptocurrency previously and appeared to have been relatively successful doing so.

I understand that much of this took place some time ago now, and that it is not always possible to provide complete records of all communication from several years ago. But I don't think it's unreasonable to expect Mr E to have been able to provide more complete evidence and more complete explanations of the circumstances than he has been able to. And, based on what we do have available, I don't think we have clear evidence of how Mr E was told the investment would work or what the payments he made from his account were for.

So I don't think I can safely conclude that Mr E has been the victim of a scam. And so I don't think it would be fair for me to require Revolut to refund any of the payments he made here."

I said I'd consider anything further Mr E and Revolut sent in, provided it was received by the deadline given.

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.

Revolut didn't respond to the provisional decision. Mr E responded, submitting some further evidence and making a number of arguments which I will address below.

Mr E provided several further emails between himself and the investment company, and explained that he only has limited documentation of his communication with them, as a large proportion of their communication was done over the phone. And I appreciate that much of his communication with the company may have taken place over the phone and that several years have now passed since the communication started. But I still think it would be reasonable to expect him to be able to provide more complete records of his communication with the company he says scammed him, and that the gaps in the evidence he has been able to provide mean I should be cautious when relying on what he has said about what happened.

Mr E also said he was later contacted by further scammers, who had evidence he had fallen victim to an earlier scam and suggested they could help him recover the money he had lost.

And he argued he wouldn't have sent money to this recovery scam if he hadn't fallen victim to an earlier scam. But while I recognise the logic in this argument, I don't think this is evidence that the money he lost and was trying to recover was related to the investment company as he has suggested or relates to the payments out of his Revolut account he has complained about.

In any event, even if I was satisfied that Mr E had been communicating with the investment company throughout the period the payments he has complained about were made and the payments were made as a result of his communication with this company, I'm not satisfied he has suffered a loss in the way he has suggested.

Mr E's bank statements show a significant number of payments both to and from a cryptocurrency exchange for more than a year before he says he was first contacted about the investment company. He initially told our service he had only invested a small amount in cryptocurrency before he was contacted about the investment company. And in response to the provisional decision he said he tried investing in cryptocurrency before but didn't feel confident and didn't feel he understood it as much as he would like, so thought the investment company had the required expertise to invest on his behalf.

But, given the number of payments and credits relating to cryptocurrency on the statements before he says he was first contacted about the investment company, I'm not satisfied Mr E had only limited confidence or understanding about cryptocurrency as he has suggested. And as the credits he received from the cryptocurrency exchange significantly exceed the payments he made to the exchange, his original investing appears to have been relatively successful. So I'm also not satisfied his explanation of why he wanted to use the investment company is plausible.

So I still don't think I can safely conclude that Mr E has been the victim of a scam or suffered a loss in the way he has suggested. And so I still don't think it would be fair for me to require Revolut to refund any of the payments he made here.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 26 November 2024.

Alan Millward
Ombudsman