

The complaint

Mr R complains that Revolut Ltd won't refund money he lost to a scam.

Mr R is represented by C. For ease I have referred to comments made by C as though made by Mr R.

What happened

Between February and April 2023 Mr R made nine card payments totalling £15,355.02 towards what he thought was a legitimate cryptocurrency investment.

Mr R said he saw an advertisement on social media regarding a cryptocurrency investment opportunity with a company I'll call "L." After making several payments, Mr R realised he had been scammed when he was asked to make a further payment in order to withdraw his funds. Mr R contacted Revolut but it didn't refund his losses.

Our investigator thought the complaint should be upheld. He thought Revolut should have intervened and had it done it would have revealed the scam and Mr R wouldn't have lost his money. Our investigator thought it ought to refund the money Mr R lost from the fourth payment but didn't think it had to pay back money he received from his mother's business and used towards the scam.

Mr R accepted our Investigator's view but Revolut didn't agree and asked for an ombudsman's decision. So, the complaint has been passed to me to decide.

We wrote to Mr R and asked for evidence of his loss. Namely evidence to show he paid back what appeared to be a loan from his mother. And I explained to both parties that unless Mr R can show he lost out personally, I couldn't tell Revolut to refund the money used to fund the scam.

Mr R says the money was not a loan and was transferred to his account by the scammers. He says he reported the money as stolen, and it has since been returned and he is unable to provide evidence to show it was paid back.

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.

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.

I don't think the initial payments Mr R made were particularly unusual or uncharacteristic of his typical account usage, nor were they of significant enough value to have triggered Revolut's fraud detection systems. As such, I can't fairly or reasonably hold Revolut

responsible for the loss incurred from these payments.

However, by 21 April 2023 the value of the payments increased significantly, and we can see that the frequency of the payments also increased, which is a pattern we often see where a scam is involved. Considering this and that the payments were identifiably related to the purchase of cryptocurrency, I think Revolut ought to have been concerned that Mr R might be at risk of financial harm and intervened, but I can't see that it did. I think it ought reasonably to have given Mr R a tailored written warning about the risk of a cryptocurrency investment scam and highlighted some common features of this type of scam. Had it done so, I think its likely it could have prevented Mr R's loss from the fourth payment onwards. I say this because, I think its likely that such a warning would have resonated with Mr R and caused him to stop.

When an error is made, we expect the business to put things right and address any financial loss to the consumer as a result of it's mistake.

Having reviewed Mr R's bank statements, I noted on the 21 April 2023 a deposit was made from his mother's account for £3,500. Mr R has confirmed that the money was reimbursed when he reported the scam. Therefore, I'm satisfied he hasn't paid this back personally.

Mr R also received deposits of £9,250 and £2,000 from his mother's business which I find were used towards the scam. He hasn't been able to evidence that he paid back this money. I'm aware that this business has since been dissolve, therefore I'm not persuaded Mr R is required to pay back the borrowing.

Ultimately, I'm not persuaded Mr R suffered a loss from the payments he made to the scammer from 21 April 2023 onwards. To ask Revolut to refund Mr R for these payments, would be putting him in a better position than he would otherwise have been in. It is for these reasons that I can't fairly or reasonably tell Revolut to reimburse the money used to fund the scam.

My final decision

For the reasons outlined above, I don't think Revolut Ltd needs to do anything to settle the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 26 May 2025.

Oluwatobi Balogun
Ombudsman