

## **The complaint**

Mr P complains about Revolut Bank UK PLC.

He says that Revolut didn't do enough to protect him when he fell victim to three separate scams between June and November 2023.

This decision deals with the initial scam.

## **What happened**

Mr P came across an advert for a cryptocurrency investment on social media – he was persuaded to take up the opportunity, and open up a crypto wallet with a legitimate crypto exchange, C. He made payments to this wallet via his account with Revolut, and B, another bank as part of the supposed investment, which was then moved on to a wallet provided to him. Mr P says that he was given access to a portal, where he could see his investment, and granted access to his device via Anydesk which was used to show him how to open and set up his crypto wallet.

From his account with Revolut, Mr P made four payments totalling £16,216 and received returns of £2,058 to his account with B.

Unfortunately, Mr P realised he had fallen victim to a scam when he was asked to pay further fees to make a withdrawal and had lost his money.

He made a complaint to Revolut about what had happened, but it didn't uphold his complaint. So, he brought his complaint to this Service.

Our Investigator looked into things but didn't think that the complaint should be upheld.

In summary, they said that it wasn't clear where most of the money originated from that was used to fund the scam, so they weren't sure of the loss Mr P had directly suffered. They went on to say that there was a lack of information provided to fully understand how the scam unfolded, including information about an account with C, in which Mr P says he received "fake" USDT to the value of around 80,000, but that Mr P hadn't appeared to contact C about this.

Finally, they said that in any event, they weren't persuaded that better interventions by Revolut would have prevented Mr P's loss.

Mr P and his representatives didn't accept this, so the complaint has been passed to me.

## **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.

Having done so, I've decided not to uphold this complaint, for broadly the same reasons as our Investigator. I know this will be disappointing for Mr P.

I should start by saying that like our Investigator, it isn't clear where the majority of the funds used to make the payments originated from, and what loss was sustained from Mr P's crypto wallet – so it is hard to quantify Mr P's individual loss. There is also some missing information which makes it difficult to understand how the scam unfolded, due to most of the conversations taking place via phone, rather than by message.

It also appears that Mr P kept in contact with the scammer for some time after the scam was discovered.

But I don't believe that the missing information prevents me from reaching a decision on this complaint. I'll explain why.

In broad terms, the starting position at law is that banks and other payment service providers (PSP's) are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And I have taken that into account when deciding what's fair and reasonable in this case.

Mr P authorised the payments in question here – so even though he was tricked into doing so and didn't intend for the money to end up in the hands of a scammer, he is presumed liable in the first instance.

But this isn't the end of the story. As a matter of good industry practice, Revolut should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: banks had (and have) obligations to be alert to fraud and scams and to act in their customers' best interests, but they can't reasonably be involved in every transaction.

Taking into account the law, regulator's rules and guidance, relevant codes of practice and what I consider having been good industry practice at the time, I consider Revolut should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and 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 banks 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, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- 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.

In this case, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr P when he authorised payments from his account or whether it could and should have done more before processing them.

Revolut has provided the account purpose which Mr P provided when he opened his account – which included ‘foreign exchange, investments, stocks, transfers and crypto – so I think that it would have expected Mr P to make the kind of payments that Mr P made from it.

I can also see that it gave Mr P several warnings about the payments, which suggested they were high risk, and that the payment may be a scam. However, given the amount of some of the payments Mr P made, I don’t think this went far enough, and I would have expected it to transfer Mr P to its in-app chat function, and to ask him a series of questions about the payment (the purpose being to uncover a fraud or scam) and provide him with a tailored warning based on the answers provided.

However, in order for me to uphold this complaint, I would have to think that a better intervention would have prevented Mr P’s losses – and I’m afraid that I don’t think it would.

Mr P also made payments from his account with B towards the same scam, and it intervened on several occasions and asked him what he was doing and why. I have been provided with copies of the conversations that took place. The initial intervention could have been better than it was, but on later interactions, Mr P wasn’t honest about what he was doing. He told B that he was acting alone, and that there was no broker, or third party involved. He also confirmed that he had completed all possible checks, including verifying the investment was registered with the Financial Conduct Authority (FCA). But I don’t think this was the case, as the investment cannot be found when searching the register.

I am also aware that Mr P obtained several loans with which to fund the investment – one of which was from B – but he wasn’t truthful about the purpose of this loan. He told Barclays that the loan was for his business, but this wasn’t the case. This came to light during one of the intervention calls from B, where it questioned him about the loan, and asked him why he had said that the loan was for business equipment, when this clearly wasn’t the case, which shows that Mr P was willing to withhold information and borrow significant amounts of money without declaring the true purpose of what the funds were for.

So, with this in mind, I don’t think that better or further interventions from Revolut would have prevented the loss.

I am very sorry that Mr P appears to have fallen victim to a scam – but this is the fault of the scammers, not Revolut – and I can’t uphold this complaint when I am not persuaded that a better intervention from Revolut would have uncovered the scam, along with it being unclear what losses Mr P has directly suffered.

### **My final decision**

I don’t uphold this complaint.

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

Claire Pugh  
**Ombudsman**