

The complaint

Mrs A is unhappy Revolut Ltd (“Revolut”) won’t reimburse her for the money she lost when she fell victim to a scam.

What happened

The details and facts of this case are well-known to both parties, so I don’t need to repeat them at length here.

In short, Mrs A says she saw an advert for a trading company on social media that I will call “B”. Mrs A completed an enquiry form and was contacted by a representative of B.

Subsequently, the following payments were made to a cryptocurrency exchange. My understanding is that the funds were then converted to cryptocurrency and were transferred on to B.

The following transactions went from Revolut to the cryptocurrency exchange.

Transaction Number	Date	Amount	Type of payment
1	18 January 2023	£3,000	Card Payment
2	24 January 2023	£25,000	Card Payment
3	26 January 2023	£35,000	Card Payment
4	30 January 2023	£20,000	Card Payment
5	1 February 2023	£20,000	Card Payment
6	15 February 2023	£10,000	Card Payment
7	17 February 2023	£10,000	Card Payment
8	22 February 2023	£5,000	Card Payment
9	28 February 2023	£5,000	Card Payment

Mrs A realised that she had been scammed when she was repeatedly asked to send further funds, but after sending the funds, she remained unable to withdraw her “profits”.

She made a complaint via a representative to Revolut and requested that the above transactions be refunded. It declined to do this.

I issued a provisional decision on 14 January 2025 in which I said the following;

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

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. And when processing payments, it should be done in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

But, 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 March 2023 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 including in relation to card payments);*
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multistage 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 instance, the first transaction was not, in isolation, large enough to be deemed unusual for Mrs A.

Payment 2 was clearly to a cryptocurrency exchange and was large enough in my view to have prompted an intervention from Revolut. Given this I think that Revolut should have really been aware that Mrs A was at a heightened risk of financial harm.

I've thought carefully about what a proportionate warning in light of the risks presented would be in these circumstances. In doing so, I've taken into account that many payments that look very similar to this one will be entirely genuine. I've given due consideration to Revolut's duty to make payments promptly, as well as what I consider to have been good industry practice at the time this payment was made.

Taking that into account, when Mrs A attempted the second payment, I think Revolut ought, knowing (or strongly suspecting) that the payment was going to a cryptocurrency provider, to have asked further questions about the payments. Such as in its in-app chat facility. So I have gone on to consider whether such an intervention would have likely stopped the scam.

Looking at Mrs A's submissions it seems that the scammer was heavily involved in the payments that were being made. In fact, when there were issues with payments on 26 January 2023, it seems more likely than not from the chat between Mrs A and the scammer that the scammer was helping Mrs A make this payment and also was the one answering Revolut's questions about the payments in its in-app chat. I say this because of the chat which says "you can go" and "I will deal with them" (referring to Revolut) Mrs A answers "You still need the computer isn't it so I will have to stay since my husband won't like the fact that someone is using the computer". The scammer goes on to say: "So they are just making cheks and releasing it" and "Your investment has been processed through 26/01/2023". So overall I think that either the scammer was helping Mrs A make the transaction and answering the questions of Revolut, or at the very least the scammer was prompting Mrs A on what to say and do.

This is further supported by the scammer or Mrs A confirming to Revolut in that conversation that no remote access was being used, despite it likely being used at the time.

I also note that when Mrs A made payments to Revolut she or the scammer told her other bank that she was making the payments to pay friends and family. When in fact, the funds were going to Revolut so that Mrs A could 'invest' her money into crypto currencies. This again suggests that the scammer was involved in the payments being made and was ensuring that Mrs A's financial providers were being misled about what the payments were for, so as to circumvent their anti-fraud checks.

So I think that had Revolut asked questions about payment two, the scammer would have either answered the questions on behalf Mrs A or given her answers designed to allay the suspicions of Revolut. So, I don't think that an earlier intervention would have uncovered or stopped the scam. On the contrary, I think a similar thing would have happened (that happened with her other bank) had there been further intervention later on from Revolut. So overall, I don't think that Revolut could have stopped this scam.

I note Mrs A's representative's comments on other cases that Revolut has confirmed that remote access software cannot be used when interacting with Revolut. I have carefully considered this and my understanding is that this is when using the app on a mobile device. Whereas when using a computer, it is possible to use remote access. So in this case, given the above, I currently don't think any intervention would have stopped the scam.

I have considered whether the payments in question could have been recovered by other means. But given the timescales involved, the method of the payments and that Revolut is not a signatory of the Contingent Reimbursement Model, I don't think that the funds could be recovered.

So overall whilst I have a lot of sympathy for Mrs A, as she is clearly the victim of a cruel scam, I cannot currently uphold this complaint."

Revolut did not provide any additional comments in relation to my provisional decision. Mrs A's representative did respond and said that it believed that an intervention on payment 2 would have prevented the scam as Mrs A was not under the spell of the scammer by that point. They also added that there was no evidence that the scammer was involved in that payment and therefore, Mrs A would have been forthcoming about what she was doing and the scam would have been stopped had Revolut intervened at that point.

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 have carefully considered the additional points that Mrs A's representative has made. But I remain of the opinion that Revolut could not have uncovered or prevented the scam. I accept that there is no evidence that the scammer was involved in payment 2. But on balance, I think that was mainly because the payment went through without issue. I think that had the payment been delayed and questions asked, I think that the scammer would have got involved. I think it more likely than not that the scammer would have answered any questions asked by Revolut, on Mrs A's behalf, much as they did when the Revolut intervened during payment 3. So overall, I don't think that an earlier intervention would have stopped the scam.

So in summary, I think that Revolut should have intervened earlier and more than it did. But I don't think that Revolut even if Revolut had done this that it would've uncovered or stopped the scam.

My final decision

Because of the reasons given above and in my provisional decision I do not uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 11 March 2025.

Charlie Newton
Ombudsman