

## **The complaint**

Mr O is complaining that Revolut Ltd didn't do enough to prevent him from making payments to a scam, and didn't reimburse him for the payments he made to the scam after he reported it.

## **What happened**

Both parties are familiar with the circumstances of the scam so I won't go into detail here.

In short, between May 2023 and July 2023 Mr O fell victim to a cryptocurrency investment scam. He saw an advert on social media endorsed by a celebrity, and after a call with the scammer they began to communicate over a messaging app. Mr O was asked to install a remote access app, to open an account with a cryptocurrency provider, and to open an account with Revolut.

Over the course of around a week at the end of June 2023, he made 18 payments to the scam from his account with Revolut – a total of just over £72,000. The payments were made to various different payees to buy cryptocurrency – which was then sent on to the scam.

Mr O realised he'd been scammed when the withdrawal he'd been promised didn't appear. He reported the scam to Revolut around a week after sending the final payment. Revolut tried to recover the payments, and was able to recover £1,816.

In January 2024 Mr O complained to Revolut about what had happened, but Revolut replied to say it thought it had done enough to prevent him from making payments to the scam.

Mr O brought his complaint to the Financial Ombudsman. Our investigator looked into what had happened, but he didn't uphold Mr O's complaint. In summary, he thought that Revolut could have probed further into what was happening during some of the chats it had with Mr O about the payments. But he didn't think this would have made a difference because Mr O didn't give accurate information to help Revolut prevent the scam.

Mr O didn't agree, so his complaint has been passed to me for review and a 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.

It's not in dispute that Mr O authorised the payments. And Revolut had a duty to act on his instructions. But in some circumstances a financial business should take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual for the customer, or otherwise looks characteristic of fraud. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. But I'd expect any intervention to be proportionate to the circumstances of the payment.

But I've also kept in mind that Revolut processes high volumes of transactions each day. There is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

In light of the above, I've considered whether Revolut can fairly and reasonably be held liable for Mr O's loss. And I don't think Revolut could reasonably have prevented his loss here. I know this will be disappointing for Mr O, so I'll explain why.

It's clear Revolut did have concerns that the payments Mr O was making could be part of a scam. It did intervene on six of the payments Mr O made, by asking Mr O to enter into a conversation in its in-app chat before releasing them, and once it saw a concerning pattern developing after the fifth payment, it restricted Mr O's account until it could establish the circumstances around the payments by discussing them with Mr O.

For four of the first five payments to the scam, Mr O selected "*transfer to a safe account*" as the reason for the payments. Revolut asked Mr O to join its in-app chat for these payments, and asked him some questions to establish that he wasn't falling victim to a safe account scam. I note that as part of this line of questioning, Revolut did ask him if he'd been asked to download any remote access apps, and Mr O said he hadn't. Once it was satisfied that Mr O wasn't falling victim to a safe account scam, Revolut allowed these payments to proceed.

The intervention I'd like to concentrate on took place on 28 June 2023, which appeared to be prompted by the fifth payment to the scam and the overall pattern of the payments Mr O had made up to then. Revolut restricted Mr O's account until it could contact him through the in-app chat. It discussed the recent payments Mr O had made and asked Mr O a number of questions relating to cryptocurrency investment scams – including:

- Have you recently downloaded any screen sharing application?
- Were you advised to create a Revolut account after learning about an investment opportunity advertised on social media?
- Have you received any unsolicited calls or messages recently telling you you need to move your money to a safe account or to create a Revolut account for investment purposes?
- Are you buying cryptocurrencies?

Mr O answered no to the first three questions, and then told Revolut he was buying cryptocurrency.

When Mr O confirmed he was buying cryptocurrency, Revolut went on to ask the following questions:

- Can you confirm which cryptocurrency exchange provider you are using?
- Do you have access/own the cryptocurrency account to where you are transferring the funds?
- Have you been able to withdraw funds that you have deposited?

- How did you decide which crypto platform to use? Where did you learn about this platform?
- How long have you been investing in Crypto?

Mr O copied all of Revolut's questions to the scammer in their messages – and the scammer told Mr O how to answer the questions. And I can see that Mr O answered the questions as the scammer instructed – including that he'd been able to withdraw funds, used the platform due to the low cost of its fees, and had been investing in cryptocurrency for a year. But of course this wasn't true – because Mr O had opened the cryptocurrency account on the scammer's instructions, and he hadn't been using it for a year.

After some further discussion about the purpose of the Revolut account (which Mr O said was for day-to-day spending and shopping, also on the scammer's instructions) Revolut also asked Mr O if he was in control of the external account he was transferring funds to and had been able to make withdrawals from it. Mr O again said he'd had the account for a year and was able to make withdrawals from it.

Revolut gave Mr O some warnings during this conversation – which explained that being pressured to invest can be a sign of a scam, and also about buying cryptocurrency from reputable sources. Mr O confirmed he wished to proceed and the restriction on his account was lifted.

Revolut did intervene in two more payments after this, but these interventions were again based around the possibility of a safe account scam after Mr O selected "*something else*" as the reason for the payments, and Revolut didn't ask any more questions directly relating to investing in cryptocurrency.

I've thought carefully about whether the interventions from Revolut were proportionate in the overall circumstances of what it was aware of here, bearing in mind that it's not for Revolut to interrogate its customers, but to carry out interventions proportionate to the risk of financial harm it has identified.

I do think Revolut could have potentially asked some more questions about the payment destination during the interventions it carried out on the earlier payments where Mr O had selected the "*safe account*" option. But the questions Revolut asked during the intervention on 28 June 2023 in particular, *were* based on the key features of a cryptocurrency investment scam and so were relevant to the type of scam Mr O was experiencing. For example, Mr O had been asked to open his Revolut account for an investment opportunity advertised on social media, and he had been asked to download a remote access device, but he answered "*no*" to both these questions. The further questions Revolut asked, and the warnings it gave, were then based on the answers Mr O gave to these questions – and these weren't accurate. So, I don't think I can reasonably conclude that Revolut could have gone much further to uncover the scam here, based on the answers it received from Mr O.

And even if Revolut *had* probed Mr O further during this or any of the other interventions, I agree with the Investigator in that I don't think it would have made a difference. This is because I'm not persuaded Mr O would have positively engaged with any further intervention or warnings from Revolut. Given his apparent trust in the veracity of the scam, and the ongoing guidance from the scammer, I think Mr O would simply have asked the scammer how to respond to any further questions Revolut asked him, in order to avoid the payments coming under any further scrutiny before they could be sent.

Overall, the weight of the evidence suggests Mr O was, unfortunately, fully under the spell of

the scammer, was being closely guided on what to say to Revolut, and appeared to be fully invested in making payments to the scam under the scammer's influence. I do appreciate that the scammer cleverly manipulated Mr O into making these payments and into not being open and honest with Revolut about the circumstances of them. But because I don't think any further intervention from Revolut would have prevented Mr O's from making the payments to the scam, it wouldn't be fair or reasonable to ask it to refund the payments he made.

For completeness, I've also considered if Revolut could have done anything else to recover Mr O's payments. There are industry standards around the steps financial businesses should take to attempt to recover funds once a scam has been reported. Here, I can see that Revolut did attempt to recover the funds – and were successful in recovering a relatively small amount. I'm not persuaded Revolut ought to have done anything else to attempt to recover Mr O's funds.

It's not in dispute that Mr O's been the victim of a cruel scam and has lost a substantial amount of money to it - and so I am really very sorry to disappoint him. But for the reasons I've explained, I'm not upholding his complaint about Revolut.

### **My final decision**

My final decision is that I'm not upholding Mr O's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 25 April 2025.

Helen Sutcliffe  
**Ombudsman**