

The complaint

Mr P complains that Revolut won't refund him money he lost in an investment scam.

Mr P is represented by a professional representative, but I'll refer to Mr P throughout, for ease of reading.

What happened

The circumstances surrounding this complaint are well known to the parties, so I'll provide a brief summary of what I consider to be the key points.

Mr P says he was contacted by scammers in early February 2023. He was persuaded to invest in cryptocurrency, but doesn't recall much detail about the conversation. He says he set up an account with Revolut on 8 February 2023 and an account with a cryptocurrency provider in order to invest. He downloaded remote access software onto his computer on the advice of the fraudsters, who then helped set up the cryptocurrency account. He was persuaded to make two payments to his cryptocurrency account from his new account with Revolut - payments of £30 and £19,000 were made on 15 February 2023.

Mr P says he received emails explaining he should invest more money and also received certificates of capital investment and other documents to confirm his investments were doing well.

He also says after he received the payment from his Revolut account into his cryptocurrency account, he used it to buy Bitcoin. He checked his account in the night and saw that the Bitcoin had been withdrawn shortly after it was purchased. He tried to contact the scammer but was unsuccessful.

Mr P contacted Revolut on 22 February 2023 to report the scam, but was unable to answer some of Revolut's questions and so Revolut didn't continue with its investigation.

Mr P complained to Revolut some time later. He says he was vulnerable, Revolut should have intervened in the transactions and if Revolut had intervened, it would have realised he was being scammed and it would have been able to prevent his loss. He says the fact that remote access software was installed on his device ought to have been known to Revolut.

Revolut says it has been provided with little evidence of the scam and the context in which it happened. It says the only documents provided were a page with the details of his fake account with the scammers and some emails that seem to relate to a different scam in 2019. It was not explained how the scam came about or how Mr P was persuaded to invest. It says it was not made aware of any vulnerability when the account was opened. It also considers that a proportionate and appropriate fraud warning was given when Mr P made the £19,000 payment.

Ultimately, the investigator concluded that she had not been provided with sufficient evidence that a scam had taken place. The evidence she had been provided with showed

that Mr P had purchased cryptocurrency, but there was nothing to show the cryptocurrency had then been paid away to a scammer. On that basis, she didn't uphold Mr P's complaint.

Mr P responded and said he understood that ideally the investigator would like to see statements from his cryptocurrency account but his cryptocurrency account is closed. He says he was told by the cryptocurrency provider that it would only disclose information requested by law enforcement and he has struggled to obtain this evidence. He is vulnerable and it is difficult for him to recall all the relevant details, but he has provided emails showing payment confirmation from the scammers which suggests, on the balance of probabilities he was the victim of a scam.

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.

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, 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 February 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 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.

I agree with the investigator that there is insufficient evidence to show Mr P has suffered a loss.

Mr P says he has memory problems so it is difficult to remember exactly how the scam unfolded and how the money was moved. I am sympathetic to that and understand it is difficult for Mr P to recall these events clearly, but I would have expected there to be some supporting evidence to at least show that Mr P's money has been lost.

I've been provided with copies of various emails, payment confirmation emails, ones that appear to be from an investment account, but I don't agree that they show, on the balance of probabilities, that Mr P has been the victim of a scam in 2023. The emails date from 2019 and 2021 and they indicate Mr P deposited money with an investment company. They indicate that Mr P sent money to what he thought was an investment, in 2019 and he might have been scammed at that time, but they don't provide evidence of what happened in 2023.

The emails don't help to show that the money moved from Mr P's Revolut account in 2023 has been lost or whether it was lost to a scam. Because of this, it isn't clear that this is a scam, rather than a failed investment, or if it was a scam, whether Mr P has lost some or all of his money.

Overall, I don't consider it is reasonable in this case to uphold it when there is so little evidence to show that Mr P has been the victim of a scam and that he has suffered a financial loss.

My final decision

I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 12 March 2025.

Greg Barham
Ombudsman