

## **The complaint**

Mrs K complains that Revolut Ltd hasn't refunded the money she lost when she fell victim to a scam.

## **What happened**

In May 2022 Mrs K came across an advert on social media for a cryptocurrency investment platform, she says it appeared to be endorsed by a financial journalist. Mrs K left her details and was contacted by someone who said they would open a cryptocurrency account for her so she could invest. Unfortunately, and unknown to Mrs K, the people she was dealing with were not legitimate, she was the victim of a scam.

At this stage, the scam seems to have moved away from what we might see in a 'standard' investment scam. It appears that the scammers took out a loan in Mrs K's name with a third-party lender. These funds – £20,000 – were paid into Mrs K's main bank account, and she was encouraged by the scammers to move the funds to her Revolut account and then on to a cryptocurrency platform. Mrs K has said that initially she was unwilling to move the funds on, but that the scammers began to threaten her. She says they claimed they had personal photos of her which they would share if she did not do as she had been told, she says they also threatened her with the police if she did not move on the funds.

Mrs K ultimately made a payment of £14,500 on to the scammers from her Revolut account. But at this stage, given the stress she was under, her family realised something was wrong and stepped in, stopping her from making any further payments to the scammers.

Mrs K told Revolut about the scam. Revolut looked into what had happened, but declined to refund any of Mrs K's loss. It said that it had taken appropriate steps to intervene in the payment Mrs K had made, so did not consider it should be held liable for her loss. Mrs K didn't accept this, so she referred her complaint to our service.

One of our Investigators looked into his complaint. They thought Revolut should have done more to intervene given that Mrs K had indicated the £14,500 payment was going to a 'safe account' and Revolut should have realised that meant Mrs K was at high risk of being the victim of a scam. So, they recommended that Revolut refund the £14,500 payment. Mrs K accepted this, but Revolut did not, so this case was referred to me to review.

I issued my provisional decision on this case on 14 November 2024, explaining why I did not consider it should be upheld. Neither Revolut nor Mrs K have provided any further comments in response to my provisional 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.

In my provisional decision I explained the following:

*"It's not in dispute that Mrs K authorised the payment that is the subject of this complaint. So, as per the Payment Service Regulations 2017 (which are the relevant regulations in place here) that means Mrs K is responsible for that payment. That remains the case even though she was the unfortunate victim of a scam.*

*Because of this, Mrs K not automatically entitled to a refund. Nonetheless, the regulatory landscape, along with good industry practice, sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams.*

*Taking the above into consideration, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mrs K, or whether it should have done more than it did.*

*In this case, I agree with our Investigator that the payment purpose Mrs K selected for the £14,500 should have indicated to Revolut that something untoward might be going on, and so means that Revolut should have done more to ensure that Mrs K was not at risk of financial harm. Revolut ought to have been concerned when 'safe account' was selected, given safe account scams are very common and it is not likely to be a legitimate reason for sending money to another account. Given the risk presented here, I think intervention should have been in the form of some more direct and opening questioning via the Revolut app. Revolut did direct Mrs K to the in app chat, but it asked her no questions about the payment she was making before allowing it to go through, so I can't see that Revolut took any reasonable steps to satisfy itself that Mrs K was not at risk of financial harm.*

*However, the question we must then consider is whether any reasonable intervention from Revolut would have brought the scam to light or stopped Mrs K from making the payment. I'm required to make this decision based on the balance of probabilities; that is, what I find is more likely than not to have happened. I've carefully considered all of the available evidence, paying particular attention to what Mrs K knew at the time. And, having done so, it is difficult to say that intervention would have made a difference here.*

*I say this because, not only does Mrs K appear to have been coached by the scammer to mislead her bank about the payments she was making – she told the bank she was making payments to Revolut from that she was moving funds to pay for furniture – but when Mrs K expressed reservations about moving the money on from her Revolut account she also appears to have been personally blackmailed by the scammer to ensure that she made the payments they wanted her to make.*

*So, by the time of the payment in dispute here, it appears that Mrs K knew she was being blackmailed, she was aware that she was moving money to prevent someone from sharing private photos with people she knew. She has said she was also under the impression that she might be legally in trouble if she did not move the money as instructed. I can't see how Revolut would have been able to uncover such a situation given that any warnings it gave would be geared towards APP scams – where someone is being tricked into paying someone through deceit. In this case Mrs K was paying under duress. And from what I've seen it seems that Mrs K was set on making this payment to protect herself, so I consider it more likely than not that Mrs K would not have been open and honest with Revolut about the true purpose for the payments if it had asked her, it's more likely that she would have continued to follow the instructions of the scammer.*

*I appreciate that Mrs K's family were able to uncover the scam when they challenged her, but the relationship with family is very different to the relationship with a bank. And I can't*

*see how any reasonable intervention from Revolut, based on what it would likely have been told, would have stopped Mrs K from proceeding with the payment.*

*Mrs K has my sympathies, she's clearly been through a very distressing ordeal. And I do understand why she feels so strongly about this complaint. But my role as an Ombudsman is limited to determining whether Revolut bears any responsibility for her financial loss. And, everything considered, I cannot fairly and reasonably hold Revolut liable in these circumstances.*

*I've also thought about whether Revolut did all it could to try to recover Mrs K's funds when she told it of the scam. But given that the payment Mrs K made appears to have been to a cryptocurrency account in her own name to purchase cryptocurrency, I don't consider there is anything Revolut could have done to recover those funds.*

*I'm sorry to disappoint Mrs K as I know that she has lost a significant amount of money. But, overall, I'm currently intending to say that any reasonable, proportionate intervention from Revolut would not have prevented Mrs K from making this payment the scam. It follows that I don't think Revolut is liable for her loss and won't be asking it to refund any of her losses."*

As neither Revolut nor Mrs K has made any comments in response to my provisional decision, I see no reason to depart from the findings set out above. I remain satisfied that any reasonable intervention from Revolut would not have prevented Mrs K's loss. And so do not consider that Revolut should be held liable for any of that loss.

### **My final decision**

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 6 January 2025.

Sophie Mitchell  
**Ombudsman**