

## The complaint

Mr G complains that Revolut Ltd will not refund money he lost when he was a victim of an investment scam.

## What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

In 2024 Mr G came across an investment firm – which I will refer to as 'T' - on the internet and enquired about their services. He was then contacted by T who discussed investment opportunities that would provide a "good profit". Under the belief T was a legitimate firm, Mr G set up a trading account with them.

It is understood initially Mr G made various payments to T from his other banking providers, including a bank, I will refer to as 'M'. The scam payments were funded by an account Mr G held at another banking provider, which I will refer to as 'L'. Mr G has also raised complaints against M and L which I will address separately.

Mr G then made the following payments to T from his Revolut account via a legitimate crypto provider:

Payment	Transaction Date	Amount
1	9 August 2024	£200
2	13 August 2024	£15,000

After Payment 2, Mr G made a further payment of £17,000 to the crypto provider, however these funds were not sent onto T. Mr G also attempted to make a further payment of £2,074 which was declined by Revolut.

Mr G stated he realised he had been a victim of a scam when T kept asking him to pay various fees whenever he requested to make a withdrawal. He subsequently reported the scam to Action Fraud as well as his banking providers, including Revolut.

Our Investigator didn't uphold Mr G's complaint. He said Payment 1 was not significant enough to warrant an intervention by Revolut. And the actions Revolut took at Payment 2 were proportionate to the risk associated with the payment, so he wouldn't have expected it to have intervened further in the circumstances.

Mr G didn't agree and asked for the matter to be referred to a decision. Therefore, the matter been passed to me to decide.

## **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'm sorry Mr G has been the victim of a scam, and I don't underestimate the impact this has had on him. But while I'm sympathetic to Mr G's circumstances, I must consider whether Revolut is responsible for the loss he has suffered. I know this won't be the outcome Mr G is hoping for, but as I've discussed with him over the phone for similar reasons as our Investigator, I don't think they are. And so, I don't think Revolut has acted unfairly by not refunding the payments. I'll explain why.

Before I do, I want to reassure Mr G that I've considered everything he has submitted. And so, while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether Revolut is responsible for the loss Mr G has suffered.

I've thought about the CRM code which can offer a potential means of obtaining a refund following scams like this one. But as Revolut isn't a signatory of the CRM code, these payments aren't covered under it. I've therefore considered whether Revolut should reimburse Mr G under any of their other obligations.

In broad terms, the starting position in law is that an electronic money institution (EMI) is expected to process payments that their customer authorises them to make. It isn't disputed that Mr G knowingly made the payments from his account – albeit under the direction of T – and so, I'm satisfied he authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Revolut are expected to process Mr G's payments, and he is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

So, the starting point here is whether the instructions given by Mr G to Revolut (either individually or collectively) were unusual enough to have expected additional checks to be carried out before the payments were processed.

When considering this, I've kept in mind that EMIs process high volumes of transactions each day. And that there is a balance for Revolut to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate – as it wouldn't be practical for EMIs to carry out additional checks before processing every payment.

Here, before processing the first payment, Revolut provided Mr G with the following warning as it was being made to a new beneficiary:

***“Do you know and trust the payee?”***

*If you're unsure, don't pay them, as we may not be able to help you get your money back. Remember, fraudsters can impersonate others, and we will never ask you to make a payment.”*

I think this warning was proportionate to the risk presented by Payment 1. And so, I think it was reasonable for Revolut to process the payment upon receiving Mr G's confirmation that he wished to proceed (and understood the potential risks).

For Payment 2, Revolut have confirmed they undertook a fraud risk assessment that included the following warning:

***“Something doesn’t look right***

*Your transfer has been identified by our system as a potential scam. To continue, we need your help to understand what’s happening.*

Mr G was then asked a series of questions, including; if anyone was pressuring him to make the transfer, if he was being told what to say, or that he needs to ack quickly, which may be a scam. Mr G had three options, declare that someone is assisting him, confirm that no-one is assisting him, or cancel the transfer. Mr G selected *“No, I am completing this transaction by myself”*.

Mr G was then shown the following warning by Revolut:

***“If someone is telling you to ignore these warnings, they’re a scammer – only continue if you’re sure nobody is pressuring you to make this payment.”***

Mr G confirmed he wanted to continue with the payment.

He was then asked questions about the purpose of the payment and based on the answers he gave, Revolut asked him a series of tailored additional questions, which he had to answer, which included, if anyone had asked him to install remote access software, which he denied. If he had invested in crypto before, which he confirmed he had. And if he had researched the company, which he replied to say; *“yes, I’ve checked if the company is on the Financial Conduct Authority (FCA)’s register”*. The payment was then reviewed by Revolut and he was provided with more information about how to recognise scams.

On 13 August 2024, Revolut called Mr G, as they still had concerns about the payment he was making. Given the value of the payment and it being sent to a known crypto provider, which carried a heightened risk of harm from fraud, I think human intervention was proportionate to the risk the payment presented. During the call he was again asked if he was being guided by anyone to make the payments and the purpose of the payment he was making from his Revolut account. Mr G indicated no one was guiding him and he was looking to invest some money and as he is an IT consultant he would try to use some of the money for courses. Revolut then provided him with warnings about crypto investment scams and he confirmed he was not falling victim to this and was happy for the payment to go through.

I’ve considered Mr G’s interactions with M and L before, during and after he made the payments from his Revolut account. M have provided us with seven intervention calls they had with Mr G from 8 August to 27 August 2024, where they had concerns Mr G could be falling victim to a scam. On these calls M asked Mr G about the payment purpose and he was given warnings about the risks involved within crypto investments. M also asked Mr G if anyone had asked him to download any apps or software? Which Mr G replied with “No”. M also asked Mr G, if he can tell them a little bit about what the payment is for, to which Mr G replied with the following: *“I am an IT consultant and so I would like to do some training”*. M also asked Mr G if anyone had spoken to him about investing in crypto to make money quickly, and explained how crypto investment scams typically unfold, including asking individuals to install remote access software on their devices and having an investment manager to help with the investments and the type of communication methods they use. These points were present in the circumstances of the scam Mr G was falling victim to but he wasn’t forthcoming with M about this and told it he wasn’t being guided by anyone to make the payment he was attempting.

M, restricted Mr G's account on 8 August 2024 and called him after he attempted to make a £10,000 payment to a crypto provider as they had concerns he was falling victim to a scam. On 9 August 2024, Mr G used his Revolut account to send £200 to T via the same crypto provider as he used with M. M then spoken to Mr G again on 13 August 2024, as they were still not satisfied with the evidence and information he had provided to the questions they had asked him about the payment purpose and his account remained restricted. As a result, on the same day (13 August 2024) Mr G sent £15,000 to T via the crypto exchange from his Revolut account.

L have also provided our service with intervention calls which they had with Mr G when he was sending funds to M and Revolut to fund the scam payments. L asked Mr G questions about the payment purpose and he confirmed he was sending funds to his own account as he worked in IT consulting and this was for training courses. He also said he was making the payments for family things, such as holidays etc. Mr G confirmed he was the only one who had access to the accounts he was sending the funds too. As a result, the payments were released.

I will not set out the specifics of the chat Mr G had with T here, as he is already familiar with it. But having looked at it, it's very clear that he was being heavily coached and influenced by T from the start of the scam – which Mr G seemingly accepts. This is evident from T saying the following: *"Can you send me a screenshot?"* and *"Don't answer the questions without showing me first"*. Mr G was then guided by T on how to answer the questions he was being asked by M as part of their fraud prevention checks. The level of coaching also included Mr G informing T when he received a call from L and he was being told what to say. Mr G had also given remote access to T on several occasions and its clear T replied on his behalf on occasions to the questions he was asked, which is evident from the following comment from T: *"can you open your app, so I will reply to them?"*. It is clear Mr G was determined to make the payments to T, demonstrated by him continuing to make payments from his Revolut account despite the clear scam warnings presented to him by M which had resulted in his account being restricted.

On a final note, I've considered whether, on being alerted to the scam, Revolut could reasonably have done anything more to recover Mr G's losses, but I don't think they could. This is because the funds were sent to a crypto wallet in Mr G's own name before being forwarded on to T. So, no funds would've remained. But even if they did, they would've remained in Mr G's control and he could've accessed them himself.

I have a great deal of sympathy for Mr G and the loss he's suffered. I appreciate he is the innocent victim of a scam, and he has lost a significant sum of money. But it would only be fair for me to direct Revolut to refund his loss if I thought they were responsible – and I'm not persuaded that this was the case. For the above reasons, I think Revolut have acted fairly and so I'm not going to tell them to do anything further.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 7 October 2025.

Israr Ahmed  
**Ombudsman**