

## The complaint

Miss F, via a representative, has complained that Revolut Ltd (“Revolut”) failed to refund the money she lost as part of an investment scam.

## What happened

The details of this complaint are well known to both parties, so I will not repeat everything again here. Instead, I will focus on giving the reasons for my decision.

In summary though, Miss F says she saw an advert on social media for a firm that purported to be a crypto investment firm that I will call B.

A representative from B contacted Miss F and he persuaded her to make the following transfers to a crypto exchange and then the funds were converted into crypto and were then sent to B.

Transaction	Date	Amount	Type of Payment
1	20 March 2023	£5,000	Transfer
2	23 March 2023	£10,000	Transfer
3	24 March 2023	£14,900	Transfer
4	28 March 2023	£14,900	Transfer
5	31 March 2023	£14,900	Transfer
6	6 April 2024	£10,000	Transfer

Miss F attempted to withdraw the profits that she made but she was told that she would have to pay fees in order to access them. She paid one fee and then was asked for further payments. This led her to realising that she had been scammed.

Miss F asked Revolut to refund these payments, as she believes Revolut should have done more to prevent her from being scammed in the first place. Revolut did not agree with this.

I issued a provisional decision on 6 March 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 deciding what’s fair and reasonable, I am required to take into account relevant law and regulations, regulators’ rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.*

*Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, on what I consider is more likely to have (or would have) happened, in light of the available evidence and the wider circumstances.*

*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. This should be in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account.*

*However, taking into account relevant law, regulatory 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 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;*
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;*
- 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); and*
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (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. Revolut did provide Miss F with general warnings about the transfers, for each new beneficiary. These warnings were limited essentially to asking Miss F to check the details of the payments.*

*I think an appropriate intervention would have been a written warning setting out the general features of crypto scams during payment 1. But I don’t think that this would have stopped the scam. I say this because Miss F’s relationship with the scammer by this point was such that she seemed to trust what he was saying. This is demonstrated by Miss F following their instructions when questioned about the payments being made from an account that she held with a different provider. In this call, Miss F says that the payments were for a loft conversion and that she was sending funds to Revolut to keep them separate from her normal account balance. When in fact, once the funds were in her Revolut account, they were sent to B, via a crypto exchange.*

*I think that Revolut should have intervened again during payment 2 and this time I think a human intervention was merited - for example via its in-app chat. But again, I don’t think that this would have stopped the scam. This is because Miss F has confirmed that she was following the scammers instructions at this point. So had Revolut asked questions about the payments that Miss F was making, I think she would have acted under the instructions of the scammer and given answers designed to allay the suspicions of Revolut - much as she did when questioned by one of her other account providers.*

*So, had Revolut intervened more than it did and asked more probing questions, I think it's very likely Miss F would have given answers to Revolut so that it thought that the payments weren't linked to a scam.*

*Taking everything into consideration, I think that Revolut should have intervened more than it did. But even if it had intervened further, I don't think the scam would have been stopped. I've also thought about whether Revolut could have done more to recover the funds after Miss F reported the fraud.*

*Revolut are under no obligation to refund the money under the Contingent Reimbursement Model (CRM) Code. This is because Revolut are not signatories of the code.*

*I appreciate this will likely come as a disappointment to Miss F, and I'm sorry to hear she has been the victim of a scam. However, whilst I have a great deal of sympathy for the situation that Miss F found herself in, I'm currently not persuaded that Revolut can fairly or reasonably be held liable for her loss in these circumstances."*

Revolut did not provide any additional comments in relation to my provisional decision. Miss F's representative did respond. They reiterated that they believed Revolut should have intervened more than it did and an intervention would have stopped the 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.

I have carefully considered the additional points that Miss F's representative has made but I remain of the opinion that Revolut could not have uncovered or prevented the scam. The relationship between Miss F and the scammer was sufficiently close, to make me conclude that Miss F would likely have ignored any written warning issued. I also think that, had a human intervention occurred, I think that Miss F would have likely provided answers designed to allow the payments to be progressed - as demonstrated by her interactions with her other account provider.

So in summary, I think that Revolut should have intervened earlier and more than it did. But I don't think that Revolut could have uncovered or stopped the scam. So I don't think it is appropriate to say that Revolut should be held responsible for Miss F's loss.

### **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 Miss F to accept or reject my decision before 22 April 2025.

Charlie Newton  
**Ombudsman**