

The complaint

Mr S complains that Revolut Ltd didn't do enough to prevent the loss he suffered when he fell victim to a scam.

Mr S has used a representative to bring his complaint. But for ease of reading, I'll mostly refer to Mr S himself where I also mean the representative.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In 2023, Mr S says he was the victim of a scam. He received a text message that he thought was a 'wrong number' from a Miss A. Mr S engaged in conversation with Miss A and, over time, he believed that a romantic relationship developed. Miss A explained that she was an investor in cryptocurrency and she offered to help Mr S do the same.

Ultimately Mr S was persuaded to make a series of payments from his Revolut account. I understand these were all to purchase cryptocurrency which was then lost to the scam. The chat between Mr S and Miss A indicates that he bought cryptocurrency through legitimate exchanges before transferring it onto the 'trading platforms' that Miss A recommended. Mr S' letter of complaint records that the below payments were made as a result of the scam. All the merchants / beneficiaries were cryptocurrency exchanges and almost all the payments were made by debit card.

Date	Merchant	Amount
3 August 2023	C	£41
3 August 2023	C	£380
3 August 2023	E	£3.95
4 August 2023	C	£200
4 August 2023	M	£500
7 August 2023	C	£500
8 August 2023	M	£500
10 August 2023	M	£400
11 August 2023	N	£200
19 August 2023	B	£50
19 August 2023	B	£500
21 August 2023	T	£10
21 August 2023	S	£9,000
2 November 2023	N	£205
3 November 2023	K	£100
3 November 2023	K	£86.83

Mr S complained to Revolut. He didn't think they'd done enough to protect him against losing money to a scam and is seeking reimbursement of his losses. Revolut didn't think they'd

done anything wrong, pointing out that they'd intervened numerous times and the matter was referred to our service.

One of our Investigators didn't recommend that the complaint should be upheld. In summary she didn't think they'd failed in such a way as to have caused the loss. Mr S disagrees and has asked for an Ombudsman to review his complaint.

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 addition to the payments I've listed above, Mr S attempted other payments that were blocked at the time by Revolut. Amongst these were £10,000 on 20 August 2023 and £15,990 on 21 August 2023. When these payments were declined Mr S went to the in-app chat and asked why his payments had been blocked. Revolut said that the beneficiary was no longer supported but didn't share more information. Revolut also didn't block or ask questions in relation to the £9,000 payment on 20 August 2023.

Revolut should be alert to customers who are potentially at risk of financial harm from fraud and scams. And they fairly and reasonably should do all they can to protect against this. I think Revolut missed an opportunity to ask more questions about the blocked payments in August 2023. I also think they should have done more before processing the £9,000 that did go through. These payments both individually (and particularly collectively) were for far greater sums than were commonly sent from the account. And they were going to what Revolut would've likely known were cryptocurrency exchanges, another factor that, in August 2023, should have been an indicator of a potential issue, given the prevalence of scams involving cryptocurrency by that time. For clarity, I don't think Revolut were wrong not to have intervened in any of the other payments, I don't think they were so suspicious, unusual or indicative of potential fraud where that would be a reasonable expectation.

However, even though I think Revolut should've done more, I'm not persuaded that overall, this would've uncovered the scam or have prevented further payments. I say this because, in September 2023, Revolut blocked Mr S' account and told him this was because they were concerned he might be the victim of a scam.

Revolut then asked Mr S a series of questions. Part of this involved asking him if he was buying cryptocurrency. Initially Mr S said he wasn't, but when challenged on this point said he hadn't read the question properly and confirmed that he had. Revolut probed Mr S on this point (including asking how he learned about the crypto platforms and did his research). He confirmed he had full access to his crypto accounts, was doing his own research and that he was able to make withdrawals. Revolut also pointed out that scammers will use tactics to trick people including fake investment platforms. They also said that scammers will try to convince you to send money, so you don't miss out on an opportunity and if this is the case, please ignore further contact from individuals asking you to invest. They re-iterated that *"scammers are using increasingly sophisticated techniques to... convince customers to transfer funds in complex scams."* Before finally asking Mr S to confirm he had been warned about the risks involved and that if he was a victim, that recovery would be unlikely. Revolut then released the blocks from the account.

So whilst I think an intervention similar to what happened in September 2023 should've happened sooner (in August 2023), I don't think it would have turned out meaningfully differently. And in the circumstances of this complaint, I think such an intervention would've been a proportionate response to the risk presented by the payments Mr S was attempting /

made. I've also taken account of the fact that Mr S has submitted over 600 full pages of the message history between him and Miss A. Many of these include them planning their future life together. There are also a lot of discussions about Mr S borrowing money from friends and family to continue his 'investments'. There is also talk of using different banks who don't create friction for the payments he was attempting. One example of this was on 21 August 2023 when Mr S said:

"Revolut is not happy with the details it looks... It keeps stopping the payment... Will try [M] and see what happens... That's okay darling, only annoyed about the banks..."

And given Mr S has said that he and Miss A regularly video messaged each other and that he fully believed they were in a loving relationship at the time, I don't think any reasonable level of intervention that could've been expected of Revolut would've uncovered the scam at the time. I think the personal nature of their relationship and Mr S' heartfelt belief that it was genuine at the time would've prevented him being receptive to warnings. As such, I can't say that Mr S' losses were caused by Revolut not intervening sooner as I think they should've.

I've also thought about whether Revolut could've done more to recover Mr S' loss once he reported that he'd been scammed to them. Revolut said they considered raising chargebacks, but there wasn't a prospect of this resulting in a recovery. I agree that I don't think there is more Revolut reasonably could've done that would've resulted in the recovery of any of Mr S' money, so I don't think they failed in this regard.

I appreciate this will be very disappointing for Mr S, and I don't doubt being the victim of a cruel scam like this must have had a significant impact on him. But as I don't think Revolut are responsible for his outstanding loss (or a part of it), despite my natural sympathy for him as a victim of crime, there isn't a reasonable basis upon which I can require them to do more to resolve this complaint.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 February 2025.

Richard Annandale
Ombudsman