DRN-5244581

## The complaint

Mrs O complains that Revolut Ltd (“Revolut”) didn’t refund her the money she lost after she fell victim to an Authorised Push Payment (“APP”) scam.

## What happened

The background to this complaint is well known to both parties and was laid out in detail by our Investigator in their view. So, I won’t repeat everything again here. Instead, I’ll summarise what happened and focus on giving the reasons for my decision.

In October 2023, Mrs O saw a post on a well-known social media platform. The post was from one of her old work colleagues and detailed how they had made a significant amount of money through investing. Interested in what she saw, Mrs O sent a message to the details provided and was subsequently contacted by people claiming to be cryptocurrency traders. Unfortunately, this wasn’t a genuine investment opportunity, but a scam.

Persuaded to invest, Mrs O used her Revolut account to purchase cryptocurrency through a number of different cryptocurrency platforms. As well as this, she exchanged fiat money into cryptocurrency before withdrawing some of this from her Revolut account. Between 20 November 2023 and 2 January 2024, Mrs O made multiple payments this way (a detailed breakdown of these payments having been provided by our Investigator in their view). Unfortunately, the funds she was sending would ultimately end up going to accounts controlled by the fraudsters.

Mrs O has said she realised she’d been scammed when she spoke to a family member about a ‘withdrawal fee’.

Mrs O raised a fraud claim with Revolut, but it didn’t uphold it. In summary, it said it had followed all of the correct procedures and that Mrs O had authorised the payments. It added that it thought Mrs O had failed to meet her due diligence obligations and failed to evaluate the risk of the investment she was making.

Unhappy with Revolut’s response, Mrs O brought her complaint to this service. One of our Investigator’s looked into things and thought the complaint should be upheld in part. In summary, she thought there came a point (a payment for £300 at 22:00 on 9 December 2023) where there was enough going on that Revolut ought to have intervened.

It was our Investigator’s view that had Revolut intervened at this point, it would have made a difference and prevented Mrs O from going ahead with this and the subsequent payments. But the Investigator also thought Mrs O should share liability for the loss, so recommended 50% reimbursement from this point onwards.

Mrs O initially accepted our Investigator’s view, but later retracted this. This was because she said that the impact of what had happened to her was too great to accept an outcome of this amount. Revolut offered to settle the complaint in line with the recommendations made by our Investigator and to pay Mrs O £2,318.24, along with interest.

As agreement couldn't be reached, the complaint has been passed to me for a final 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.

The starting point in law is that Mrs O is responsible for payments she's carried out. There's no dispute about that here. But, taking into account regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, Revolut ought, fairly and reasonably, to be on the lookout for out of character and unusual transactions that might indicate that its customer was at risk of financial harm from fraud.

Revolut has made an offer to settle this complaint. For reasons I'll explain, I think that offer is fair in the circumstances and I don't intend to revisit in detail whether it should have intervened at all or whether such an intervention would have made a difference and prevented Mrs O's further loss. There's now no dispute about that.

I have considered whether the suggested point of intervention is fair and in the circumstances of this case I think it was. In thinking about this, I have kept in mind that EMI's such as Revolut process high volumes of transactions each day, and that there is a balance to be found between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

While I appreciate the total amount lost to the scam represents a lot of money to Mrs O, overall, up to the point where I think the intervention ought to have taken place, I don't think the individual value of any of the transactions should have alerted Revolut that Mrs O was at heightened risk of financial harm. The payments also weren't made with such frequency, nor did they rapidly escalate in value, in a way that I think could reasonably have been a warning sign that a scam may be taking place. I'm also mindful that, while I would expect Revolut to be aware, by November 2023, that scams involving cryptocurrency are increasingly prevalent, I must also consider that Revolut's customers can, and do, legitimately invest in cryptocurrency.

However, at the point of the payment mentioned above (£300 at 22:00 on 9 December 2023), I think there was enough going on that ought to have given Revolut cause for concern, such that they should have intervened. By this point Mrs O was making payments in rapid succession, there was a notable increase in the frequency of the payments being made and also the introduction of another cryptocurrency platform.

While it hasn't been disputed, it's worth noting that I agree with our Investigators position that an intervention would have made a difference. I say that as, from the evidence I've seen, if Revolut had asked Mrs O about the nature of the payments she would have spoken freely, and it would have come to light that she was investing in cryptocurrency. Having identified the potential risk, I would've expected Revolut to tell Mrs O what a cryptocurrency investment scam looks and feels like. I think on hearing the similarities of how these scams typically play out would have echoed with what she was experiencing and I'm persuaded, it is more likely than not, this would have prevented her from proceeding any further.

It follows that from this point, for reasons explained, I think it's fair and reasonable that Revolut should, at least in part, be liable for Mrs O's loss.

I've gone on to think about whether Mrs O should bear any responsibility for her losses. There is a general principle that consumers must take responsibility for their decisions, and I am mindful of the law relating to contributory negligence and the impact a finding of contributory negligence may have to reduce the damages recoverable by a claimant in court proceedings.

With this in mind, I have duly considered whether Mrs O should bear some responsibility and I'm satisfied she should in the circumstances of this case. I say this because I consider there to have been enough warning signs that she was being scammed, which Mrs O does not appear to have reasonably acknowledged or acted upon.

Mrs O has indicated that she was told she should expect to see returns of £30,000, from an investment of £3,000. I think the promise of a return so high, with seemingly no risk ought to have stood out to Mrs O as being improbable, to the point of simply being too good to be true. I've not seen that Mrs O was given, nor asked for, any explanation, around how this could possibly be achieved. I think the returns promised ought reasonably to have prompted Mrs O to carry out further checks before proceeding. As a result, I'm satisfied Mrs O should've had reasonable cause for concern, but it doesn't appear that she made adequate enquiries into the legitimacy of what she was being told. Rather she seems to have taken things at face value.

So, I think Mrs O did have a role to play in what happened and I think that the amount Revolut should pay to her should fairly and reasonably be reduced to reflect that role. I think that a fair deduction is 50%.

Finally, I've thought about whether Revolut did all it could to recover the money, once it had been made aware of the scam. I'm not persuaded that there was any reasonable prospect of Revolut being able to successfully recover Mrs O's funds once she reported the scam. I say this because the money was used to purchase cryptocurrency, which was ultimately received and in the control of the fraudsters. So, I don't think Revolut has missed an opportunity to recover any of the money that Mrs O sadly lost.

**Putting things right**

For the reasons explained, I think the offer Revolut has made to settle this complaint is fair and reasonable and it should now;

- Refund Mrs O £2,318.24.

- Pay 8% interest on this amount from the date of the transactions to the date of settlement.

**My final decision**

My final decision is that I uphold this complaint in part.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 28 August 2025.

Stephen Wise
**Ombudsman**