

## The complaint

Mr B complains that Revolut Ltd (Revolut) is refusing to refund him the amount he lost as the result of a scam.

Mr B is being represented by a third party. To keep things simple, I will refer to Mr B throughout my decision.

## What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary Mr B saw an advertisement on social media for investment opportunities with a company I will call X, which appeared to be endorsed by a well-known public figure. Interested in the opportunity Mr B completed an enquiry form and left his contact information.

Mr B then received a phone call from X and the investment opportunities were explained in more detail. X appeared knowledgeable and professional and told Mr B he would be assigned an account manager.

X then contacted Mr B again as promised and an account manager was assigned. Mr B then communicated with X mostly via messaging applications and Mr B was required to download remote access software to his device from which he says X setup accounts with cryptocurrency exchanges, and appeared to trade on Mr B's behalf. Mr B had access to X's trading platform and could see what appeared to be trades that were placed on his behalf, and the balance of his account.

Mr B was encouraged by X to invest more money on the promise that he would receive greater returns, and he did receive some credits. But when Mr B tried to make withdrawals later in the scam, he was told he would have to make further payments in relation to fees and taxes, and it became apparent he had fallen victim to a scam.

The following payments have been disputed:

Payment	Date	Payee	Payment Method	Amount
1	8 August 2023	Tap	Transfer	£3,000
2	14 August 2023	Mr B	Transfer	£8,800
3	24 August 2023	Mr B	Transfer	£7,000
4	30 August 2023	Mr B	Transfer	£750
5	4 September 2023	Mr B	Transfer	£4,500
6	8 September 2023	Mr B	Transfer	£3,300
7	15 September 2023	Binance	Debit Card	£4,000
8	15 September 2023	Binance	Debit Card	£4,000.00
9	19 September 2023	Binance	Debit Card	£1,900.00
10	3 October 2023	Binance	Debit Card	£820.00
11	3 October 2023	Binance	Debit Card	£130.00

Our Investigator considered Mr B's complaint and didn't think it should be upheld. Mr B disagreed, so this complaint has 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.

It has not been disputed that Mr B has fallen victim to a cruel scam. The evidence provided by both Mr B and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr B lost due to the scam.

#### *Recovering the payments Mr B made*

Mr B made payments into the scam via his debit card and the method of transfer. Some of the payments were made to accounts in Mr B's name so if any funds did remain, they would remain in Mr B's control and not require recovery. Other payments were made to purchase cryptocurrency, and it took further steps for these funds to be sent to the scammer. As there is no dispute that cryptocurrency was provided to Mr B in exchange for the payments he made, it's unlikely these payments could be recovered.

I can see that Revolut did attempt to recover the payments Mr B has disputed by contacting the receiving banks for any remaining funds, and requesting a chargeback for the payments made by card, but these attempts were unsurprisingly unsuccessful, and I don't think it is unreasonable that Revolut has not been able to recover the payments.

#### *Should Revolut have reasonably prevented the payments Mr B made?*

It has been accepted that Mr B authorised the payments that were made from his account with Revolut, albeit on X's instruction. So, the starting point here is that Mr B is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have intervened when the payments were being made. And if it had intervened, would it have been able to prevent the scam taking place.

When Mr B made payment 1 Revolut did intervene, and Mr B was provided with screens that warned him the transfer could be a scam and that the payment was "more unusual than 99.2% of all Revolut Transfers". Mr B was then required to give a purpose for the payment he was making, and he selected "Safe account" despite the more accurate option of "Investment" being available.

As Mr B selected the option of "Safe account" he was then presented with warnings relevant to the risks associated with safe account scams. As Mr B wasn't moving funds to a safe account the warnings presented to him were not relevant to the true circumstances of the payment.

When Mr B made payment 2 Revolut intervened again, and Mr B gave the same responses. This time Mr B was directed to Revolut's in-app chat facility.

As Mr B had told Revolut he was making the payment to a safe account Revolut gave him warnings again specific to the payment purpose he had chosen. Revolut first explained what

a safe account scam was and then asked Mr B to confirm that he was not making a payment in relation to a similar scenario, and he confirmed he wasn't. Mr B also confirmed he had not been asked to download remote access software, this was incorrect.

Mr B was then required to confirm the following statement before the payment could be released:

"Revolut has warned me that this is likely a scam and is unlikely to recover my funds if I proceed with this transaction."

Mr B had told Revolut that he was making the transfer to a safe account. While Revolut did warn about the dangers of this type of payment I think it could have gone further and asked additional questions. But I don't think this would have made a difference I will explain why.

In addition to Mr B being dishonest when providing information to Revolut he was also dishonest with his other bank that he used to fund the payments he made from his Revolut account.

When making transfers from another of Mr B's accounts he held elsewhere Mr B had two separate discussions with that bank.

On both occasions Mr B fabricated a story about the purpose of the payments he was making, essentially saying that he was moving funds to the Revolut account to better manage his money, build savings, and avoid the temptation of spending. The information Mr B provided was incorrect and would have made it difficult to uncover the scam.

Mr B says he was told by X what to, and what not to say when making payments in relation to the scam, and this is supported in the chat messages he has sent us between himself and X.

So, while I think Revolut could have intervened further I don't think Mr B would have provided any more honest answers to its questions had it done so. This would have made it very difficult for Revolut to uncover the scam that was taking place.

With the above in mind, I don't think Revolut missed an opportunity to uncover the scam, so it is not responsible for Mr B's loss.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 15 May 2025.

Terry Woodham  
**Ombudsman**