

The complaint

Ms A complains that Revolut Ltd ('Revolut') won't refund the money she lost to an investment scam.

She's represented by a firm of solicitors. To keep things simple, I'll refer to Ms A throughout this decision.

What happened

The background to this complaint is known to both parties. I won't repeat all the details.

In summary, Ms A says that, in July 2023, she came across a social media advert, seemingly endorsed by a well-known public figure, promoting cryptocurrency investments with a trading company (I'll call 'G'). The opportunity appealed to her and, after registering her interest, she was contacted by a 'representative' from G. She thought they would be acting as her 'account manager' – but later discovered she'd connected with a scammer.

As part of the process, she was persuaded to download remote software which allowed the scammer access to her laptop. The scammer then 'helped' her open new accounts with Revolut and a crypto-exchange (I'll call 'K'). And believing she was dealing with a genuine individual she went on to 'invest' as instructed. She made several payments between July and December 2023. Until mid-August 2023, payments were for 'investment'. Later payments were for 'fees' she was led to believe she had to pay to withdraw her funds.

She realised she'd been scammed when, having paid 'fees' as requested, she was still unable to withdraw. By that time, over £56,000 had been lost. About £24,000 of that money was from loans Ms A took out with separate lenders which she intended to repay once her funds had been released. The rest was from income, savings, and borrowing from friends.

The matter was reported to Revolut in February 2024. A complaint was raised and referred to our Service. Our Investigator didn't uphold it. In brief, she noted Revolut had intervened on some payments and no information had been provided to indicate a scam. She added that, even if a proportionate intervention had come about sooner, it's unlikely this would have unravelled the scam given what happened when Revolut did intervene and the 'spell' Ms A was under. As the matter couldn't be resolved informally, it's 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.

Having done so, I've decided not to uphold it for similar reasons as the Investigator.

In broad terms, the starting position at law is that an Electronic Money Institution such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account. I'm satisfied on the evidence here, including Ms A's

testimony and communication with the scammer, the disputed transactions should be treated as 'authorised'. That means Ms A is presumed liable for her losses in the first instance.

But that's not the end of the matter. Taking longstanding regulatory expectations and requirements into account, and what I consider to have been good industry practice at the time, Revolut should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

In this case, I agree there was enough about some of Ms A's payments for Revolut to have stepped in on concerns that she may be at a heightened risk of financial harm from fraud – considering, for example, some of their values. That said, as referred to by the Investigator, Revolut did intervene on some payments (as I'll consider below). And it's important for me to emphasise that, even in circumstances where Revolut might have failed in some way, it's still necessary to consider whether that would have otherwise made a difference to what happened – such that I can fairly and reasonably hold it liable for Ms A's losses.

There's evidence to show that Revolut intervened on the very first payment and Ms A was provided with a warning about sending funds to a new beneficiary. This was a small payment of £10 and I wouldn't have expected Revolut to have gone further than that.

The next interaction was on 7 August 2023. This was a result of Revolut having restricted Ms A's account on concerns about her payment activity. At that point, Ms A was brought into 'live' chat and Revolut asked a series of questions to establish a possible scam risk. When asked if she'd downloaded screen sharing software, Ms A answered "no". She also answered "no" when asked if she'd opened her Revolut account for investment purposes or after learning about an investment opportunity advertised on social media.

On further questioning, Ms A said she was using her laptop (instead of her phone) as it was more comfortable. When probed about what looked like earlier cryptocurrency purchases, she told Revolut she'd decided which platform to use; she'd carried out her research; and there was no other platform. She said she intended to hold funds in fiat and look to buy cryptocurrency in future when prices dropped. In reply to more probing, she told Revolut *"I will choose whenever to do that whenever it suits me. My business strategy is not your concern, however it's to be ready when the price will go down and not when it's high as it is right now"*. And later *"Only if you are telling me that K which is an FCA regulated exchange is scamming me, then I will be worried. Other than that I am doing it by myself"*.

We now know these responses were inconsistent with what was really happening at the time and hindered Revolut's ability to detect a scam. And I note Ms A continued to send payments despite having been told the purpose of the questions was to keep her funds secure and ensure she wasn't being scammed. She was also warned, for example, scammers use tactics to trick victims into buying cryptocurrencies from fake websites and platforms. She was warned scammers will try to convince victims they'd miss out on an investment opportunity if funds aren't sent quickly – and to ignore any such contact.

There was another intervention on 31 August 2023. Ms A was brought into 'live' chat and I'm satisfied her payment was processed after Revolut was reassured she wasn't falling victim to a 'safe account' scam. But it was misled about the 'payment purpose' and again about the use of remote access software. In my view, it's arguable Revolut should still have shown Ms A a cryptocurrency warning at that point. And, like the Investigator, I'm mindful the intervention on 7 August 2023 came about after her largest payment of £16,000 had already been sent on 2 August 2023. At the same time, considering how things played out (and the warnings that were given) during Revolut's interventions, I'm not convinced the scam would have been exposed even if it had intervened earlier or even more often than it did.

In reaching this view, I note Ms A has herself described the scam aspects that made it convincing (and appealing) and that she was then tricked into thinking she had to follow the scammer's 'lead' to access her money. I don't underestimate the tactics used. And, as the evidence shows, Ms A was heavily under the scammer's 'spell' to the extent she seemingly gave them unfettered access to her laptop and allowed them to interact on interventions. She's told us the misleading answers Revolut received were from the scammer. In such a scenario, or in scenarios where a customer isn't otherwise engaging, it's unlikely any proportionate questioning or warnings would have resulted in the scam being unravelled.

I'm very sorry Ms A was scammed and about the impact the whole experience has had on her. I recognise she was an innocent victim in all this and that the scam has affected her deeply. But, for the reasons I've given, I don't find Revolut could have prevented her losses such that I can reasonably hold it liable for them. And, in terms of recovery, there was little it could have done as the transfers went to Ms A's own account for the purchase of cryptocurrency that had been sent to the scammer by the time the matter was reported.

My final decision

For the reasons I've given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 8 August 2025.

Thomas Cardia
Ombudsman