

## The complaint

Mr H's complaint is about Revolut Ltd's refusal to reimburse him money he says he lost due to a scam.

Mr H is represented by CEL Solicitors in this matter. However, I will refer to Mr H solely in this decision for ease of reading.

## What happened

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview of events.

Mr H is a customer of Revolut. In short, he says he has fallen victim to a cryptocurrency related investment scam. The card payments in question were all made to Coinumm:

Payment Number	Date	Time	Amount
1	24 March 2023	15:58	£8,812.68 (declined)
2	24 March 2023	16:30	£8,808.41 (declined)
3	24 March 2023	16:35	£8,806.09 (declined)
4	24 March 2023	18:34	£8,811.74
5	24 March 2023	18:58	£1,154.39
6	27 March 2023	13:51	£4,396.65
7	28 March 2023	17:07	£4,634.69
8	29 March 2023	13:17	£8,818.11
9	29 March 2023	13:35	£1,127.87

Mr H disputed the above with Revolut. When it refused to reimburse him, Mr H raised a complaint, which he also referred to our service.

One of our investigators considered the complaint and did not uphold it. As Mr H did not accept the investigator's findings, this matter has been passed to me to make a decision.

## What I have 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 agree with the conclusions reached by the investigator at first instance for the reasons I set out below.

### Did any of Mr H's payment transactions indicate he might be at risk of financial harm?

It is not in dispute that Mr H authorised the payment transactions in this matter. Generally, consumers are liable for payment transactions they have authorised. However, that is not the end of the story. This is because even if a payment is authorised, there are regulatory expectations and requirements which suggest firms – such as Revolut – should be on the look-out for unusual and out of character transactions to protect their customers from financial harm. And, if such payment transactions do arise, firms should intervene before processing them. That said, firms need to strike a balance between intervening in a customer's payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer's legitimate transactions.

I have borne the above in mind when considering the payment transactions in this matter.

### *Intervention in declined payments*

I note that the declined payments (set out above) triggered Revolut's systems – prompting it to intervene. By way of Revolut's in-app chat platform on 24 March 2023, Revolut asked Mr H several questions about his attempted payments. The most pertinent ones being:

- i. Have you recently downloaded any screen sharing application e.g. AnyDesk?*
- ii. What is the nature of your account? What is the purpose of it?*
- iii. Have you received any calls recently from anyone telling you to create a Revolut account and encouraging you to make an outbound transfer? If yes, what did they tell you? Providing these details will help us to speed up the process.*

To questions (i) and (iii), Mr H responded, "no". To question (ii), Mr H responded, "no he [sic]".

Revolut went on to ask Mr H, "[I]s there anyone pressuring you to act quickly at risk of missing out on an investment opportunity?" Mr H responded, "no".

Revolut continued with:

*"Always take your time before making an investment decision. Scammers will try to convince you that you will miss out on an opportunity if you do not send money quickly. If this is the case, please ignore any further contact from individuals asking you to invest your money quickly."*

*"Thank you for your cooperation. Please be aware that scammers are using increasingly sophisticated techniques to gather personal information and convince customers to transfer funds in complex scams. If you have any concerns then do not proceed and let us know, we will be here to further assist you. Remember, if you continue to send your money to the account details you have been provided, we cannot guarantee that we will be able to recover your money and you risk losing it."*

Mr H responded with, "*I understand.*"

Mr H's answers to Revolut's questions were not truthful. I say this based on Mr H's submissions to our service.

I do not find that it would have been reasonable for Revolut to have identified that Mr H was misleading it during the intervention.

Whilst the intervention could have provided a warning about cryptocurrency investment scams specifically, I do acknowledge that it referred to investment scams generally and asked several questions. Therefore, I find that the intervention was proportionate to the aggravating factors applicable to the declined payments – particularly given the fact Mr H's account was newly open with little substantial activity.

It follows that I do not agree with Mr H's argument that when Revolut intervened, its questioning and warnings provided were not sufficiently effective or informative.

#### *Payments 4 to 7*

In my view, I would not have expected Revolut to have intervened in Payments 4 to 7. I say this because during Revolut's intervention mentioned above, it did identify that Mr H could be at risk of an investment scam and asked relevant questions to get a better understanding of the reason for his attempted payments. However, Mr H was not truthful in his answers – thereby alleviating any concerns Revolut may have had.

#### *Payment 8*

I do find that Payment 8 was unusual and out of character. I say this for the following reasons. Firstly, the total value of the payment transactions proceeding Payment 8 was high. Secondly, there was an increase in spending on the account within a short space of time (five days). Thirdly, all the activity concerned was cryptocurrency related.

For these reasons, I think Payment 8 should have triggered Revolut's fraud detection systems – prompting it to intervene before releasing the transaction. Taking the date of Payment 8 and the previous payment transactions together: my view is that a proportionate intervention in this matter would have been a human intervention – via the in-app chat – whereby Revolut should have made further enquiries with Mr H, and provided warnings relevant to cryptocurrency investment scams.

#### Would an intervention from Revolut in Payment 8 have made a difference?

As I have taken the view that Payment 8 should have triggered an intervention by Revolut, I must now turn to causation. Put simply, I need to consider whether Revolut's failure to intervene caused Mr H's remaining loss. To do this, I need to reflect on whether such an intervention (described above) would have made any difference. Having done so, I am not persuaded that it would have. I take the view that Mr H would have proceeded with Payment 8 regardless of Revolut intervening.

I have reached this view for the following reasons.

Firstly, Mr H was not entirely truthful with his answers when Revolut intervened in the declined payments. For example, he did not provide an accurate payment purpose; nor did he mention that he had downloaded AnyDesk or the fact that someone told him to create a Revolut account, etc. Secondly, Mr H did not heed Revolut's warning during its intervention. Thirdly, by way of Mr H's own submissions, he had a reasonable basis to believe the scam

was genuine.

Mr H misled Revolut when it intervened in the declined payments. To my mind, there can only be two reasons for this. One, the fraudsters coached Mr H to do this; or two, Mr H misled Revolut of his own accord. From what I can see, Mr H has not mentioned that the fraudsters coached him. Therefore, it is difficult to understand the reason why Mr H misled Revolut in the first place. It follows that I am unable to safely conclude that Mr H would not have misled Revolut again if it intervened in Payment 8. If Mr H was indeed coached, then my conclusions on this point remains the same.

In my judgment, the above are a combination of factors so compelling, that taken as a whole, they suggest that if Revolut provided Mr H with a warning for Payment 8, he would have likely attempted to mislead Revolut again. It follows that this would have frustrated Revolut's ability to provide a warning like the one I have described above.

#### Mr H's age

Mr H has alluded to the fact that he was vulnerable due to his age, and therefore Revolut should have done more to protect him. Having considered the facts of this complaint, particularly Mr H's actions, I am not persuaded his age played a part in this matter.

#### Conclusion

Taking all the above points together, I do not find that Revolut has done anything wrong in the circumstances of this complaint. Therefore, I will not be directing Revolut to do anything further.

#### **My final decision**

For the reasons set out above, my final decision is that I do not uphold this complaint.

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

Tony Massiah  
**Ombudsman**