

The complaint

Miss B complains that Revolut Ltd ('Revolut') won't refund the money she lost as a result of an investment scam.

What happened

In summary, on 1 November 2023, Miss B made a card payment (of about £981) from her newly opened Revolut account, for the purchase of cryptocurrency through her account with a legitimate crypto-exchange (I'll call 'Y'). That cryptocurrency was then sent from Y to a platform (I'll call 'X') for what she thought was a genuine investment opportunity.

She later discovered X was in fact operating a scam.

A complaint was referred to Revolut in December 2023 and declined. The matter was then referred to our Service. Our Investigator considered it and didn't uphold it.

She said that, even though there was little to evidence a scam (such as any contact Miss B's might have had with X), Revolut can't reasonably have been expected to have prevented her losses. In her view, there wasn't enough about the disputed payment to have warranted an intervention and there was nothing to suggest Revolut had otherwise missed an opportunity to identify a scam. She also said a chargeback is unlikely to have been successful given Miss B had received the cryptocurrency from Y before it was subsequently lost to the scam.

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 reached the same conclusions as the Investigator.

Authorisation

There's no dispute Miss B authorised the disputed payment from her Revolut account. What this means is that, while she didn't intend the money to go to a scammer, under the Payment Services Regulations 2017, she is presumed liable for her losses in the first instance. And as the Supreme Court reiterated in *Philipp v Barclays Bank UK PLC*, banks generally have a contractual duty to make payments in compliance with the customer's instructions.

Prevention

There are, however, some situations where I consider that a business (like Revolut) taking into account relevant rules, codes and best practice, should reasonably have taken a closer look at the circumstances of a payment – if, for example, it's particularly suspicious.

With this in mind, even accepting Miss B was the victim of a cruel scam, I've considered whether it was reasonable for Revolut to have processed the disputed payment without taking additional steps or making additional checks – and, overall, I'm satisfied that it was.

I can understand why Miss B wants to do all she can to recover her money. But it's important to note that Revolut can't reasonably be expected to intervene on every transaction that may be the result of a scam. There's a balance to be struck between identifying payments that may be made as part of a scam and ensuring minimal disruption to legitimate ones. And, in this case, taking everything into account, including the payment value, the account activity, and the information Revolut had available about the recipient, I don't think there was enough for it to have intervened on concerns that Miss B was at a heightened risk of financial harm.

I've thought about Miss B's comments that Revolut should be held liable on the basis that it shouldn't be dealing with Y as it lacks any form of fraud protection for customers. I note she's also said that information was available about X being a scam at the time that this payment was made. But as the Investigator has explained, we're not considering the role Y might have played in what happened as part of this complaint. And I don't consider it'd be fair to visit any failures on Y's part on Revolut. It's also important for me to emphasise that Y is a legitimate crypto-exchange, that many payments (similar to the one disputed here) will be entirely genuine and unrelated to fraud, and that, although the funds ultimately ended up being sent from Y to X, that's not something Revolut would have known when the payment was made. So I'm not persuaded I can reasonably uphold this complaint on this basis.

Recovery

In terms of recovery, I'm satisfied it's unlikely a chargeback claim would have had any prospect of success, given there's no dispute Miss B received the cryptocurrency she purchased from Y as intended before this was then sent and lost to the scam.

I know that this outcome will come as a disappointment to Miss B and I'm sorry about the impact the whole experience has had on her. But, for the reasons I've explained, I don't think Revolut acted unfairly in executing her payment instruction. I don't therefore consider I can fairly and reasonably hold it liable for her losses and I've not seen anything else to suggest it was responsible for significant other failings to warrant other forms of compensation.

My final decision

For the reasons I've given, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 8 May 2025.

Thomas Cardia
Ombudsman