

The complaint

Mr B is complaining that Revolut Ltd didn't do enough to prevent him from falling victim to an investment scam.

The complaint is brought on his behalf by a professional representative but for ease I'll mainly refer to Mr B here.

What happened

Mr B says he fell victim to an investment scam after seeing an advert on social media.

He opened an account with Revolut in April 2024 and made the first payment of £500 to a cryptocurrency exchange and on to the scam. After this he received a return of £498.01, which encouraged him to continue to invest. He went on to make three further payments to the cryptocurrency exchange, which were then moved on to the scam.

Date of transaction	Payment type	Amount
25 April 2024	Transfer	£500
13 May 2024	Transfer	£2,800
21 May 2024	Transfer	£8,000
5 June 2024	Transfer	£7,000

Mr B realised he'd been scammed when he was asked to pay more money to withdraw the funds. He reported the scam to Revolut as a complaint through his representative, on 2 July 2024.

Revolut didn't uphold Mr B's complaint, so he brought it to the Financial Ombudsman Service. Our Investigator looked into what had happened, and explained he thought Revolut had done enough to warn Mr B before he made the payments.

Mr B responded to say, in summary, that he'd said he'd found the investment on social media which should have raised a red flag with Revolut and it should have contacted him for further information. He thought interventions should have also taken place on the £2,800 and £7,000 payments, and if Revolut had carried out a more robust intervention on the £7,000 payment the subsequent loss could have been prevented.

Mr B's complaint has been passed to me for review and a 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.

There's little evidence here of Mr B's communication with the scammers at the time he made the payments to show that they were linked to a scam (although I have seen an email from 6 June 2024 asking Mr B to make a further payment to make a withdrawal which does appear to be related to a scam). But as this doesn't make a difference to the outcome here I'll

proceed on the basis that Mr B has lost these funds to a scam.

It's not in dispute that Mr B authorised the payments. And Revolut had a duty to act on his instructions. But in some circumstances a financial business should take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual for the customer, or otherwise looks characteristic of fraud. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. But I'd expect any intervention to be proportionate to the circumstances of the payment.

I've also kept in mind that businesses such as Revolut process high volumes of transactions each day. There is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

I agree with the Investigator that Revolut didn't need to intervene in the first two payments Mr B made. Mr B's account was opened as a result of the scam, so Revolut had no account history with which to compare any transactions he was making. This means Revolut would have been relying on generic indicators of fraud risk when the scam payments were made, as it wouldn't have known what might be normal for Mr B's account at that time.

By the time the payments were made Revolut would have been aware that scams involving cryptocurrency are increasingly prevalent. But this doesn't mean it should find all payments to cryptocurrency suspicious. And the value of the first two payments wasn't at a level where I'd expect Revolut to have been concerned about the risk of financial harm to Mr B.

However, the value of the third payment increased to £8,000 and this combined with the payment destination means it was reasonable for Revolut to have identified that Mr B was at risk of financial harm.

Revolut intervened on this payment by asking Mr B for the payment purpose, and he responded to say it was as part of an investment. Revolut then asked Mr B a series of questions to establish the risk the payment presented. Mr B responded to say, in summary, that he was investing in cryptocurrency, he'd discovered the opportunity online or on social media, he wasn't being assisted, he hadn't been asked to install any software, he'd invested in cryptocurrency before, and he'd researched the company by checking the Financial Conduct Authority's register.

Revolut then went on to show Mr B a warning which was tailored to the type of scam he was experiencing. It warned him that investment scams can promise high returns in short periods and have professional looking online platforms. It said he should beware of social media promotions as they may be fake investment opportunities. It encouraged him to carry out research and not to be pressured to invest. Mr B chose to proceed with the payment, and he was shown a risk agreement which he accepted to go ahead.

I'm satisfied that Revolut carried out a proportionate intervention by asking a series of questions to narrow down the scam risk. Although this was an escalation in the payment value, the £8,000 payment wasn't made in quick succession with the previous payments which can sometimes indicate a scam is taking place, and I don't think it would have been proportionate for Revolut to have intervened by contacting Mr B directly. And I think it was reasonable for Revolut to find a tailored warning proportionate to how Mr B answered its questions about the circumstances of the payment. Although he did select that he'd found the investment opportunity online or via social media (without being given an option to specify which) Revolut went on to specifically warn him about fake investments being promoted on social media. So, Revolut gave him a warning that was relevant to his answer on this point.

Despite the warning covering some of the key features of the scam he was experiencing, such as the use of legitimate looking investment platforms and social media promotions, unfortunately it didn't resonate with Mr B and he continued to make payments to the scam. But this doesn't mean Revolut ought to have done any more to warn Mr B about the risk of making the payment; I think that what it did here was proportionate to the level of risk it presented.

Mr B has said that Revolut should have carried out a more robust intervention on the final payment of £7,000 but I don't think this would have been proportionate in the circumstances. This payment was made around two weeks after the previous payment which didn't demonstrate an escalation in payment activity to the point where I'd expect Revolut to have intervened to discuss it with Mr B directly. Whilst it may have been appropriate for it to have asked Mr B questions about the circumstances of this payment in a similar way to how it had intervened on the previous payment, I've not seen anything to make me think that Mr B would have reacted differently to how he had previously.

Revolut did attempt to recover the funds after it was made aware of the scam (albeit not immediately), but it was unsuccessful. However, we know the funds remained in Mr B's control once they left Revolut and were then paid on to the scam, so it's difficult to see how there was ever any prospect of them being successfully recovered by Revolut.

I'm sorry to disappoint Mr B. He's been the victim of a cruel scam and I can appreciate why he'd think he should get his money back. But for the reasons I've explained, I don't think Revolut should have done more to prevent his loss. So, it wouldn't be reasonable for me to ask it to refund the payments he made.

My final decision

My final decision is that I'm not upholding Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 24 July 2025.

Helen Sutcliffe
Ombudsman