

The complaint

Ms H is being represented by solicitors. She's complaining about Revolut Ltd because it declined to refund money she lost as a result of fraud.

What happened

Sadly, Ms H fell victim to a cruel investment scam. After responding to an advert she saw on social media, she was contacted by scammers who asked her to download remote access software and guided her through the process of setting up accounts with cryptocurrency exchanges and a fake investment platform. She was also asked to set up an account with Revolut, which she used to make the following payments to various cryptocurrency exchanges in July and August 2023:

No.	Date	Amount £	Type
1	17 Jul	2,000	Card
2	17 Jul	1,500	Card
3	19 Jul	1,500	Transfer
4	11 Aug	1,000	Transfer
5	22 Aug	1,500	Card
6	22 Aug	2,000	Card
7	23 Aug	1,500	Card
8	28 Aug	950	Card

Our investigator didn't recommend the complaint be upheld. While she felt Revolut should have intervened to question the payments earlier, she didn't think this would have prevented Ms H from going ahead with them.

Ms H didn't accept the investigator's assessment. Her representative argues Revolut's interventions weren't sufficient and that an earlier and more robust intervention would have prevented her losses. It's also said that Ms H maintains it was the scammer and not her that answered Revolut's questions using the software she'd installed.

The complaint has now been referred to me for review.

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 overall conclusions as the investigator, and for broadly the same reasons. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

There's no dispute that Ms H authorised these payments. In broad terms, the starting position at law is that an Electronic Money Institution (EMI) such as Revolut is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, 'authorised' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Revolut also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Revolut acted fairly and reasonably in its dealings with Ms H.

The payments

One of the key features of a Revolut account is that it facilitates payments that sometimes involve large amounts and/or the purchase of cryptocurrency and I must take into account that many similar payment instructions it receives will be entirely legitimate. I'm also conscious this was a new account and there was no history of past activity against which these payments might have looked suspicious. Finally, I need to consider Revolut's responsibility to make payments promptly.

Nonetheless, Revolut knew these payments were going to cryptocurrency. Losses to cryptocurrency fraud reached record levels in 2022 and, by the end of that year, many high street banks had placed restrictions or additional friction on cryptocurrency purchases owing to the elevated fraud risk. So, by the time these payments took place, Revolut should have recognised that payments to cryptocurrency carried a higher risk of being associated with fraud.

Having considered what Revolut knew about payment 1 at the time, including that the amount involved was relatively low, I'm not persuaded it ought to have been particularly concerned. So, I can't reasonably say it was at fault for processing this in line with Ms H's instructions.

By the time of payment 2, however, I think Revolut should have identified Ms H was at risk of harm from fraud. This was her second payment to cryptocurrency on the same day and the combined amount of the payments was significant. Having considered the risks this payment presented, I think an proportionate response to that risk would have been for Revolut to ask Ms H to confirm the reason for the payment and then provide a relevant tailored warning based on the answer she gave.

While it didn't intervene on payment 2 as I've suggested it should have, Revolut did carry out this type of intervention at payment 3. It asked a number of questions about the circumstances of the payment and some of the answers it received weren't correct, including that Ms H hadn't downloaded any software, had been introduced to the investment by a friend or family member rather than an advert on social media and that she'd checked the company she was investing with was on the Financial Conduct Authority's register.

Nonetheless, Revolut did identify she may be falling victim to a cryptocurrency scam and showed a series of warnings setting out some of the key features of this type of scam that should have resonated with her. Based on the answers it received to the questions asked, I'm satisfied this warning was a proportionate response to the risks associated with the payment.

As I've said, I do think this type of intervention should have been attempted slightly earlier in proceedings. But if it had, I've no reason to think Revolut would have received different answers to its questions or that its warnings would have been any more successful in stopping the scam.

I note Ms H maintains it was the scammer who interacted with Revolut during this intervention using the remote access software she'd installed. This seems unlikely given its records indicate only her devices were used and that it says its app doesn't allow this software to be used in that way. But even if it could be shown that it was the scammer who answered its questions, I've seen nothing to suggest Revolut could have known that and I think it was reasonably entitled to believe it was interacting with Ms H herself.

Once it had taken appropriate steps to satisfy itself payment 3 was legitimate and provided appropriate scam warnings, I don't particularly think further intervention was required in respect of the later payments. But even if Revolut had gone through a similar process again, I've no reason to think it would have received different answers to its questions, particularly if that interaction had ended up being with the scammer and not Ms H.

Taking everything into account, I'm satisfied Revolut carried out a proportionate intervention and showed appropriate scam warnings, albeit slightly later in the series of payments than I think it should have. But for the reasons I've explained, I don't think the outcome would have been any different if this had been done sooner.

I want to be clear that it's not my intention to suggest Ms H is to blame for what happened in any way. She fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why she acted in the way she did. But my role is to consider the actions of Revolut and, having done so, I'm not persuaded these were the cause of her losses.

Recovery of funds

I've also looked at whether Revolut could or should have done more to try and recover Ms H's losses once it was aware that the payments were the result of fraud.

I understand Ms H first told Revolut of the fraud on 22 September 2023, several weeks after the last payment. It's a common feature of this type of scam that the fraudster will move money very quickly to other accounts once received to frustrate any attempted recovery and it's not a surprise that Revolut's attempts to get her money back weren't successful after this period of time.

As some of the payments outlined above were card payments, I've considered whether Revolut should have tried to recover the money through the chargeback scheme. This is a voluntary agreement between card providers and card issuers who set the scheme rules and is not enforced by law.

I'd only expect Revolut to have raised a chargeback claim if it was likely to be successful and it doesn't appear that would have been the case here. Ms H paid legitimate cryptocurrency

exchanges and would have received the service requested, that of changing her money into cryptocurrency before sending it to the wallet address she supplied it with.

In conclusion

I recognise Ms H has been the victim of a cruel scam and I'm sorry she lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I don't think any further intervention by Revolut would have made a difference to the eventual outcome and I won't be telling it to make any refund.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 2 October 2025.

James Biles
Ombudsman