

The complaint

Miss G is unhappy Revolut Ltd (“Revolut”) won’t reimburse her for the money she lost when she fell victim to a scam.

What happened

The details and facts of this case are well-known to both parties, so I don’t need to repeat them at length here.

In short, Miss G says she saw an advert for a trading company on social media that I will call “B”. Miss G completed an enquiry form and was contacted by a representative of B.

Subsequently, Miss G made around 7 payments to a crypto exchange. The funds were then converted to cryptocurrency and were transferred on to B. These payments took place in July 2024 and August 2024 and totalled over £90,000.

Miss G’s “trading” account with B showed large initial profits. But when she attempted to withdraw these profits, she was told that she would have to pay a series of fees. When she paid these fees and was still unable to withdraw her profits, Miss G realised that she had been scammed.

Miss G made a complaint to Revolut and requested that the above transactions be refunded. It declined to do this.

One of our investigators looked into this matter and he thought that, due to the answers Miss G provided to Revolut, Revolut could not have uncovered or prevented the scam.

As Miss G didn’t accept the investigator’s findings, the matter was referred for an ombudsman’s 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.

In broad terms, the starting position at law is that an Electronic Money Institution (“EMI”) such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators’ rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;

- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so, given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multistage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

So, I've gone onto consider, taking into account what Revolut knew about the payments, at what point, if any, it ought to have identified that Miss G might be at a heightened risk of fraud that merited its intervention.

I think that the first payment that Miss G made to the crypto exchange was large enough for Revolut to have intervened. I can see that it did do so and asked questions about the transaction, via webchat. It also called Miss G to discuss the payments.

In this chat and phone conversation Miss G gave a number of misleading answers to the questions asked. I can also see that she also provided misleading answers and even a falsified building invoice to a different current account provider. Miss G has explained that the scammer was in control of her computer when the transactions were made and they were answering the questions on her behalf. Though this does not explain why Miss G gave misleading answers during the phone call with Revolut. Overall, it is clear from the evidence provided that Miss G was heavily under the spell of the scammer and was prepared to provide answers, or allow the scammer to provide answer, to any questions raised by Revolut to ensure that the payments were not stopped. I think this prevented Revolut from uncovering or preventing the scam.

I think that Revolut should have intervened again later in the scam. But had it done so, I still think it likely that Miss G would have provided similar answers to the above and this would not have prevented or uncovered the scam.

I understand that Miss G was being coerced to do this by the scammer. But Revolut can't reasonably have known that at the time. And ultimately, as the Supreme Court has recently reiterated in *Philipp v Barclays Bank UK PLC*, subject to some limited exceptions, banks have a contractual duty to make payments in compliance with the customer's instructions. So Revolut was only required to take proportionate steps to try and protect Miss G from financial harm. I'm not persuaded she would've shared anything concerning with Revolut had it questioned her more about what she was doing. I also don't think that Miss G would've heeded any warnings, given that Revolut did provide a warning in its call setting out the common features of crypto scam and Miss G carried on regardless.

Overall, I think that Revolut could have intervened more than it did. But I don't think that it could have prevented the scam for the reasons set out above.

Could Revolut have done anything else to recover Miss G's money?

I've also thought about whether Revolut could have done more to recover the funds after Miss G reported the scam. In this instance the funds were transferred to a crypto exchange and then on to the scammer. So I don't think Revolut could have recovered the funds. Also, the Contingent Reimbursement Model (CRM) does not apply, as Revolut is not part of it.

I also don't think that a chargeback would be successful as essentially the card payments were a means of putting funds onto Miss G's crypto exchange account and this is what happened. It was only when the cryptocurrencies were then transferred on to B did the loss occur. So Miss G received (at least initially) what she'd paid for.

So overall I don't think that the funds could have been recovered via other means.

I appreciate this will come as a disappointment to Miss G, and I'm sorry to hear she has been the victim a scam. However, I'm not persuaded that Revolut can fairly or reasonably be held liable for the losses that she said she incurred in these circumstances.

My final decision

Because of the reasons given above, I do not uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 15 July 2025.

Charlie Newton
Ombudsman