

## The complaint

Mr F is complaining that Revolut Ltd didn't do enough to prevent him from making payments to a scam.

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

## What happened

In August 2023, Mr F saw an advert on social media for an investment opportunity. Mr F gave his number, and someone that I'll refer to as "the scammer" called him back.

The scammer used remote access to set up an account on the scam investment platform and Mr F says he was guided to open a cryptocurrency wallet and to open an account with Revolut, which he did on 10 August 2023.

Mr F says he made the following payments to the scam from his account with Revolut.

Date of payment	Type of payment	Payee	Amount
14 August 2023	Cryptocurrency withdrawal	N/A	Equivalent to £1,000
28 August 2023	Faster payment	Mr F's account with another business.	£42
14 September 2023	Faster Payment	Electronic Money Institution	£19,900
25 September 2023	Faster Payment	Electronic Money Institution	£1,029

Mr F realised he'd been scammed when he was unable to withdraw funds from the platform. He reported the scam to Revolut by making a complaint through his representative on 19 October 2023. Revolut responded by asking him to provide more evidence of his conversations with the scammer, and also referred him to the Financial Ombudsman Service.

Our Investigator didn't think Mr F's complaint should be upheld. He concluded that Revolut had done enough to intervene to prevent the payment, but Mr F hadn't provided it with accurate information about the circumstances of the payment so the scam hadn't been uncovered.

Mr F didn't agree with the Investigator's view and asked for an Ombudsman to review the complaint. So, his complaint has now 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.

I'm sorry to disappoint Mr F but I'm not upholding his complaint, for much the same reasons as the Investigator.

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 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.

It's been difficult to fully establish the payment journey which led to the loss here. Mr F has said the funds were transferred to cryptocurrency before they were sent on to the scam and subsequently lost, but Mr F has little evidence of his conversations with the scammer and can't provide any statements showing the payments being converted to cryptocurrency, apart from for the first payment where the cryptocurrency was withdrawn from Revolut. As far as I can see the second payment claimed as a loss to the scam was actually sent to Mr F's own current account. The third and fourth payments were sent to the scam via another EMI, but it's unclear if they remained in Mr F's control after they were sent (although Mr F says they did). However, as I don't think this make a difference to the outcome here I'm proceeding on the basis that all the funds have been lost to the scam.

Mr F opened his account with Revolut as part of the scam, and so it didn't have much information to decide if the payments he made to the scam looked unusual. It would have been relying on generic risk indicators when deciding whether to intervene in these payments. Revolut didn't intervene when Mr F exchanged £1,000 into cryptocurrency and withdrew it, but this wasn't a particularly high-value transaction, and I wouldn't have expected it to have found this concerning. The second payment was made to Mr F's own account with another business and wouldn't have been suspicious to Revolut.

I am persuaded that Revolut should have been concerned about the payment of £19,900 – it was a payment that was significant in value being made from a relatively new account with little previous activity to compare it to. I can also see that Mr F had apparently put his own name as the payee, but the confirmation of payee Revolut carried out didn't confirm this as a match.

I can see that Revolut was concerned that Mr F was at risk of scam here and it intervened by asking a series of questions about the payment.

Mr F answered the questions to say, in summary, that the payment was for buying or renting goods or services, he wasn't being assisted, the goods or services were averagely priced, he'd checked online reviews and had seen proof of ownership from the seller in the form of online photos and videos. Following this Revolut showed Mr F a written warning about purchase scams, which was tailored to how he answered its questions. This warning didn't resonate with Mr F, but it wasn't relevant to the scam he was experiencing.

However, Revolut still wasn't satisfied that Mr F wasn't falling victim to a scam and then asked him to join an in-app chat with one of its advisers. During the first chat, when asked what he is buying Mr F says "*something personal*" and asks for his money to be freed up. He says Revolut should hurry up, as he has a doctor's appointment. When asked if he knows if the seller is legitimate, he says yes – but to hurry up as he needs to go out. Revolut shows him a warning about fraudulent adverts and asks if he wants to cancel the payment, but he says he wants to proceed.

However, Revolut's records show the transaction was in fact rejected after this conversation. When Mr F is still unable to make the payment he instructs it again and was again asked to join an in-app chat.

During the chat Mr F says, he's already been through this, and asks Revolut to just let him proceed. Revolut give him another warning based on buying goods and services, and Mr F says again he wants to proceed and asks Revolut to just let him make the payment. Revolut asks him to carefully consider the information it's given and choose if he'd still like to proceed. Mr F says he's "*getting fed up with it*" and asks Revolut to please allow the transfer. Revolut asks him to acknowledge its warning which he does, and he then asks it to "*please sort, asap*". The payment is then processed around three hours after Mr F's first payment instruction.

There's little evidence available of Mr F's conversations with the scammer; he's told us most of their communication was over the phone. So, it's difficult for me to say exactly why Mr F wasn't open and honest with Revolut about what he was making the payment for. But I've also seen that when he was moving funds into his Revolut account from another business to make payments to the scam he told the other business that he was putting the money into a savings account. The adviser asked him what type of account and mentions cryptocurrency, but Mr F said it was just a normal savings account. Taking this into account and given what Mr F has said about him allowing the scammer to guide him, I think it's likely Mr F was under the spell of the scammer and was following their instructions on how to answer Revolut's questions and those of the other business.

The effectiveness of an intervention does rely on the customer engaging with the questions asked and being open and honest about what they're doing, which isn't what happened here. Mr F seemed unwilling to engage with the questions from Revolut's advisers in the in-app chat because he said he was in a hurry to go out, and he didn't answer Revolut's questions about the payment accurately. So unfortunately, the scam wasn't uncovered by Revolut's intervention. While Revolut could have potentially probed Mr F further about who he was making the payment to (bearing in mind he'd added his own name as the payee when he made the instruction) I don't think any further probing would have led to the scam being uncovered, given that Mr F appears to have been guided by the scammer in how to answer its questions. And ultimately, I don't think Revolut was unreasonable to allow Mr F's second attempt at the payment to proceed after the conversations it had with him, rejecting his first attempt at the payment, and his insistence on the payment being made.

At the time these payments were made I would expect Revolut to be aware that scams involving cryptocurrency were becoming increasingly prevalent, and I've considered this in deciding whether Revolut ought to have done anything else here. But while Mr F says he

was making the the payments to invest in cryptocurrency it was only the first payment that was identifiably related to cryptocurrency from Revolut's point of view – and this payment wasn't for an amount where I'd expect Revolut to intervene with a scam warning. I'm not persuaded Revolut ought reasonably to have identified a link to cryptocurrency from the information it had about the third and fourth payments. So, I don't think Revolut has missed an opportunity to have intervened with a cryptocurrency investment scam warning, which would have been more tailored to the scam Mr F was experiencing.

Revolut did attempt to recover Mr F's payments to the scam, but not until 4 December 2023 when it received correspondence from us. Unfortunately, recovery was unsuccessful – but this perhaps wasn't surprising given the time that had passed.

I think Revolut could potentially have looked to recover the funds at an earlier point, when Mr F had first reported the scam on 19 October 2023. But if the funds had remained in Mr F's control, he had already sent them on to the scam himself (as he had with the cryptocurrency withdrawal he'd made from Revolut). And for completeness, if the funds hadn't remained in Mr F's control it's likely that they had been moved on very shortly after they were received, far in advance of the scam being reported. So, I don't think Revolut could have done anything else which would have resulted in the funds being successfully recovered.

Once again, I'm sorry to disappoint Mr F. It does appear he's been the victim of a cruel scam and I can see why he'd think he should get his money back. But I've not found that Revolut ought reasonably to have done anything else to prevent his loss. So, I'm not going to ask it to reimburse him.

### **My final decision**

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 4 August 2025.

Helen Sutcliffe  
**Ombudsman**