

## The complaint

Mr H complains that Revolut Ltd (Revolut) is refusing to refund him the amount he lost as the result of a scam.

Mr H is being represented by a third party. To keep things simple, I will refer to Mr H throughout my decision.

## What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr H says he saw an advertisement on social media that appeared to be endorsed by a well-known public figure offering an investment with a company I will call "X".

Mr H then followed a link to X's website where he expressed an interest in the investment and then received a phone call. The Investment was explained in more detail and Mr H made an initial payment using his credit card.

Mr H then received further contact from a representative of X claiming to be his account manager. Mr H was required to set up accounts with Revolut and a cryptocurrency exchange, as well as needing to open his own cryptocurrency wallet. Mr H was required to download screensharing software that was used by X to help Mr H setup accounts and guide him through the investment process and show him profits he had made.

It appeared Mr H had made a return on his investment and X explained that he was required to make a liquidity payment. Concerned about losing his invested funds Mr H decided to make the requested payment.

Mr H has told us that he was guided by X on what to say to his account providers when making payments in relation to the scam.

Having made the payment further funds were requested by X. Mr H explained he didn't have the money so X told him that it would transfer the funds to him from a credit line. Mr H was assured he was not agreeing to a loan, but two loans were taken with different providers.

Mr H has told us that he started to have concerns and read the faster payment agreement again, his concerns increased and after carrying out some online research he realised he had fallen victim to a scam.

Mr H has disputed the following payments:

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
1	13 January 2024	Payward Ltd	Transfer	£10.00
2	13 January 2024	Payward Ltd	Transfer	£5,000.00
3	17 January 2024	Payward Ltd	Transfer	£10.00
4	17 January 2024	Payward Ltd	Transfer	£19,990.00

5	19 January 2024	Payward Ltd	Transfer	£10.00
6	19 January 2024	Payward Ltd	Transfer	£10.00
7	19 January 2024	Payward Ltd	Transfer	£24,990.00

Our Investigator considered Mr H's complaint and didn't think it should be upheld. Mr H disagreed, so this complaint has 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.

It has not been disputed that Mr H has fallen victim to a cruel scam. The evidence provided by both Mr H and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr H lost due to the scam.

#### *Recovering the payments Mr H made*

Mr H made payments into the scam via transfer. When payments are made by transfer Revolut has limited options available to it to seek recovery.

The payments Mr H has disputed weren't made to the scammer directly. Instead, they were made to a legitimate cryptocurrency exchange in exchange for cryptocurrency that was provided to Mr H. As there is no dispute that cryptocurrency was provided to Mr H in exchange for his payments, and it took further steps for those funds to end up in the hands of the scammer, any attempt to recover the payments would have no prospect of success.

So, I don't think Revolut had any reasonable options available to it to seek recovery of the disputed payments.

#### *Should Revolut have reasonably prevented the payments Mr H made?*

It has been accepted that Mr H authorised the payments that were made from his account with Revolut, albeit on X's instruction. So, the starting point here is that Mr H is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have been aware of the scam and intervened when Mr H was making the payments. And if it had intervened, would it have been able to prevent the scam taking place.

Mr H made several small payments in relation to the scam, which given the risk associate with the payments I would not have expected an intervention to have taken place.

When Mr H made payment 1 he was presented with a new beneficiary warning where he had the opportunity to check the payee details and was asked if he knew and trusted the payee.

When Mr H made payment 2 Revolut intervened and Mr H was presented with multiple screens before the payment was processed. Mr H was advised that it was important to answer the questions accurately. During this intervention Mr H confirmed:

- The payment was in relation to an investment

- He was investing on his own without a third-party
- He had not been asked to download screensharing software
- He had invested in cryptocurrency before
- A friend/family member had recommended the investment
- He had carried out his own research

When Mr H made payment 4 he was provided with the same screens and again provided the above information. On this occasion Mr H was required to speak to Revolut via its in-app chat facility.

During this chat Mr H confirmed that he had been able to withdraw the funds he had deposited and that the account he was sending the payment to, was owned by him. Mr H then provided evidence of the account being in his name.

Mr H was then required to confirm the following statement before the payment was processed.

'Revolut has warned me in-app chat that this is likely a scam. I confirm that I'm not being assisted with my transaction and understand that Revolut is unlikely to recover my funds if I proceed'.

Mr H confirmed the statement.

Mr H also funded the payments he made from his Revolut account from another account he held elsewhere, when he made a payment from that other account on 19 January 2024 that provider intervened and a call took place.

Mr H confirmed:

- He was simply moving money to another account in his own name
- He had not been asked to download any apps that allowed access to his device
- He had not been coached on how to answer the banks questions or told to lie

Mr H has told us that he was guided by X when answering the questions he was asked when making payments, it's also clear that Mr H was willing to take X's guidance and give false information to Revolut to have the payments processed.

Giving false information when making payments would and did make it extremely difficult for Revolut to uncover the scam that was taking place.

Revolut did intervene on the first two large payments Mr H made in relation to the scam with interventions that I think were proportionate to the risk associated with the payments. I don't think it was required to intervene again on the third large payment considering Mr H had already answered questions about the previous payments being made to the same payee.

But even if I was to say Revolut should have intervened further, I don't have enough to say that Mr H would have provided any more honest answers than that he had already provided on multiple other occasions.

With the above in mind, I don't think Revolut missed an opportunity to prevent the scam and it is not responsible for Mr H's loss.

Mr H has further said that Revolut should have done more to protect him and that generally Revolut's procedures are not as robust as other banks.

The comments Mr H has made have not changed my decision as we are not the financial regulator I am unable to comment on Revolut's processes generally. When looking at Mr H's complaint I think Revolut acted reasonably and as Mr H gave false information it was unable to uncover the scam. As stated above, Mr H also misled another of his account providers when making payments which meant it was also unable to prevent the scam.

**My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 23 October 2025.

Terry Woodham  
**Ombudsman**