

The complaint

Ms C is unhappy that Revolut Ltd won't reimburse money she lost to a scam.

Ms C is represented by a third-party firm, but I will refer to Ms C here.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Ms C has explained that between July and September 2023 she made payments from her Revolut account towards a cryptocurrency investment which he ultimately lost to a scam.

Ms C advises she was contacted by someone over the phone, who I will refer to as "the scammer". The scammer advised he could help Ms C recover funds she had previously lost to an investment.

The scammer helped Ms C set up accounts with legitimate cryptocurrency providers using remote access software. Ms C then transferred funds she held in another account (who I will refer to as Bank V) to her Revolut account. The funds were then converted to cryptocurrency before being sent on to the scammers.

Ms C realised she had fallen victim to a scam when the scammer stopped communicating with her. Ms C has said she lost a total of £24,310 as a result of the scam.

Ms C raised a complaint with Revolut. It didn't think it had done anything wrong by allowing the payments to go through. Ms C remained unhappy, so she brought her complaint to our service.

Our Investigator looked into the complaint but didn't uphold it. She explained that Revolut had provided warnings to Ms C before releasing some of the payments, so she thought the actions taken by it were proportionate to the risks it identified. She also didn't think any further intervention from it would have made a difference to Ms C's decision to send the payments. This is because Ms C had discussed transfers she made in relation to the scam with Bank V and provided inaccurate information when discussing them. So, the Investigator didn't feel that further intervention from Revolut would have stopped Ms C from sending the payments.

Ms C didn't agree with the outcome, so her complaint has been passed to me for review and a final 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.

Having done so, I've come to the same outcome as the Investigator for largely the same reasons. I'll explain why.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I have not mentioned, it isn't because I have ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

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 be good industry practice at the time, I consider it fair and reasonable that by July 2023 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,
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage 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.

I think Revolut were right to be suspicious of some of the transactions on Ms C's account given the activity on the account. And I agree with the Investigator that the payment of £4,999 on 21 July 2023 should have raised concerns. In those circumstances I would have expected Revolut to take additional steps, in an attempt to narrow down a possible scam risk.

Revolut confirmed it intervened on several payments, including the one described above. It recognised they were high-risk transactions and provided Ms C with advice and warnings to try and protect her from being scammed. It did this through its app. Revolut presented the following to Ms C before she made the first payment to each of the new beneficiaries:

"Do you know and trust this payee? If you're unsure, don't pay them, as we may not be able to help you get your money back. Remember, fraudsters can impersonate others, and we will never ask you to make a payment."

Revolut also highlighted to Ms C that the payments had been flagged by its systems as a potential scam and that to continue it needed to ask her some questions. As part of this it carried out further checks, undertaking a fraud risk assessment before a number of the payments she made. Revolut asked Ms C to select the purpose of the payments from a list of options. But Ms C selected that the payments were for 'goods and services', rather than

selecting the option of 'investment' or 'cryptocurrency' which would seem to have been more appropriate to her circumstances. Ms C has advised she was being coached by the scammer which is why she selected this option.

The warnings Revolut provided did highlight the transfers may be a scam. It also highlighted that she should do research before making a payment as once funds have been received it's difficult to get back. They also highlighted fraudsters can trick you into sending them money by pretending to be someone you trust – so there were certain elements of the warnings which should have resonated with Ms C.

I agree that the warnings weren't tailored to cryptocurrency investment scams but in the circumstances even if Revolut had probed further when it had intervened, I don't think it would have made a difference here. This is because I have listened to a call Ms C had with Bank V where she discussed a payment which she would be using to help fund the investment. In this call Ms C provided inaccurate information about the payment she was making, so on balance, I don't think she would have revealed the true purpose behind her transfers if Revolut had probed further when it intervened.

She advised Bank V that she wasn't being guided on how to answer questions. She advised that the firm she was dealing with was FCA regulated. She also advised she wasn't told to download any software or told how to invest her money. She also confirmed she wasn't asked to send additional funds to release her money. Bank V highlighted that a genuine firm won't be able to triple your profits after one payment. However, Ms C has since confirmed that she didn't do any research into the investment and as explained above, she was being guided by the scammer on how to answer questions. She has also confirmed that the scammer was using remote access software to help her with the transactions.

It's clear that Ms C trusted what she was being told by the scammers about the investment and the profits she had made and that she was willing to provide inaccurate information in order to get the payments processed. So, I don't think she would have revealed much about the circumstances around the payments, if Revolut had probed further. On balance, I believe that Ms C would have continued answering the questions in a way which allowed the payments to go through. In those circumstances I don't think it would be fair to ask Revolut to do anything further.

I also can't see any reason which would suggest compensation is warranted in the circumstances of the complaint as I have not found anything to suggest Revolut have acted incorrectly.

I understand that Ms C was experiencing some difficult circumstances at the time she fell victim to the scam. I'm sorry to learn about this, but I can't say that Revolut was or should have been aware that she was vulnerable or made any special adjustments for her at the time the transactions were made.

I'm also not persuaded Revolut could have done anything more to recover Ms C's funds. I say this because the payments were sent from Revolut to a cryptocurrency account in Ms C's name, from where she then would have moved the funds onto the scammers. So, I don't think there was any realistic prospect of Revolut recovering the funds.

I realise this means Ms C is out of pocket, and I'm really sorry she's lost money. However, for the reasons I've explained, I don't think I can reasonably tell Revolut to reimburse her.

My final decision

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 24 November 2025.

Aleya Khanom
Ombudsman