

The complaint

Mr C is being represented by solicitors. He's complaining about Revolut Ltd because it declined to refund money he lost as a result of fraud.

What happened

Sadly, Mr C fell victim to a cruel investment scam. When he reported the scam to Revolut, he said he'd responded to an advert he'd seen that was endorsed by a well-known celebrity, after which he was contacted by the scammers who claimed to be investment experts who could help him make money from investing in cryptocurrency.

According to the complaint submitted to Revolut, he was then told to install remote access software so the scammers could help him set up an account with a cryptocurrency exchange. He was also told that High Street banks don't like customers making investments and was advised to set up an account with Revolut to facilitate payments to the exchange. The scammers also added him to an online chat group with other 'investors' who spoke about their success with the scheme.

Mr C's newly-opened Revolut account was used to fund the following payments to the cryptocurrency exchange in July and August 2024:

No.	Date	Amount £
1	3 Jul	9,000
2	9 Jul	9,300
3	11 Jul	9,200
4	25 Jul	9,900
5	26 Jul	9,950
6	31 Jul	10,000
7	3 Aug	9,500

Mr C says he received a return of £883 from the scheme on 6 July that helped persuade him it was legitimate. He also says he wasn't aware of the later payments and that these were funded by three loans for a combined amount of £30,000 taken out by the scammers in his name and without his knowledge.

My provisional decision

After the complaint was referred to me, I issued my provisional decision setting out why I didn't think it should be upheld. My reasons were as follows:

After reviewing the evidence available, including screenshots from his chats with the scammers, I can see that a scam took place and I believe it's most likely the money paid to the cryptocurrency exchange was lost.

There's no dispute that Mr C authorised the initial payments but he says the later ones were made without his knowledge. In contrast, Revolut's records indicate that all payments were authorised using the same device. It's also explained that its app

is able to detect when a screenshare is in progress and, when detected, the screen appears blanked out to the customer and anyone remotely viewing the screen. This means neither the customer nor a scammer remotely accessing the device can perform actions on the account.

With this in mind, I think it's very unlikely that the scammers were able to make payments on Mr C's behalf and without his knowledge. While I appreciate the scammers may have been directing him and he may not have been fully aware of what was taking place, I think the evidence indicates the payments were all authorised by Mr C himself.

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.

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 Mr C.

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. 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.

This notwithstanding, 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 the high amount involved and the fact it was going to cryptocurrency, I think it ought to have identified that Mr C may be at risk of harm from fraud.

It appears Revolut did recognise this risk and went through an intervention process. Initially, Mr C was shown a screen warning the payment could be a scam and that he should answer its questions truthfully otherwise he may not be able to get his money back. He was also warned that only scammers would tell him to ignore its warnings.

After answering some initial questions about the payment, Revolut then said Mr C needed to speak to one of its agents over the telephone and I've been able to listen to a recording of this call. While he was open about the fact he was investing in cryptocurrency, many of the answers he gave aren't consistent with the account of events presented when he made his complaint. For example:

- He was asked why he selected Revolut to make this payment. He said he'd found out about it online and thought he'd give it a try. But in presenting his complaint, his representative said Revolut was recommended by the scammers.*
- He also explained that he'd been looking for a new bank because he no longer trusted his previous bank after he fell victim to a safe account scam. But in presenting his complaint, his representative said he'd not been scammed before.*
- He was asked if anyone had guided him in setting up his investment account and he said no. Later on in the in-app chat, he said his son had an account with the cryptocurrency exchange and had helped him. But in presenting his complaint, his representative says he downloaded remote access software so the scammer could help him with this.*
- He was also asked if he had allowed anyone else to have control of his device and he said no. But in presenting his complaint, his representative says he downloaded remote access software so the scammer could help him set up his accounts.*
- He was asked if a broker was advising him to use the cryptocurrency exchange, to which he answered no. But in making his complaint, his representative says he was guided throughout the process by the scammers.*

After he answered the agent's questions, Mr C was asked to provide a screenshot from his cryptocurrency account, which he did. This appears to show the account was in his name and the fact he could provide this suggests he was able to access it.

The call concluded with the agent warning there was a high risk this payment was part of a scam and he provided a detailed warning setting out some common features of cryptocurrency investment scams. These included:

- that victims can be appointed advisers who guide them through the process;*
- that victims are often told to download remote access software, warning no legitimate investment company would ask someone to do this;*
- that scammers often guide victims on how to answer questions from their bank, warning there's no legitimate reason not to answer truthfully;*
- that victims can be added to online chat groups with other scammers posing as investors;*
- that victims may be able to make small withdrawals early on to entice further investment;*
- that scammers may impersonate legitimate investment companies;*

- a warning to be careful of online adverts, particularly those with celebrity endorsements that are often fake; and
- advice to check the investment company is authorised by the regulator.

Before the payment was completed, Mr C was also shown a series of warning screens outlining that:

- crypto scams promise high returns and might even have professional-looking online platforms;
- scammers often use social media to promote fake investments; and
- scammers may ask him to install software to view his screen.

It was only after he'd been through this process that Mr C was allowed to proceed with payment 1.

Having thought carefully about the risks this payment presented, I'm satisfied Revolut's intervention was a proportionate response. The success of any intervention is to some extent dependent on the customer providing accurate information about the payment they're making. In this case, a number of Mr C's answers weren't correct and I think that prevented Revolut's agent from identifying he was definitely being scammed. But, nonetheless, the agent was still able to recognise he may be falling victim to an investment scam and provide relevant tailored warnings setting out common features of this type of scam that should have resonated with him.

Once Mr C had been through this process and confirmed that he wanted to continue with the payment, I can't reasonably say Revolut was at fault for processing it in line with his instructions.

The later payments were made to the same payee and in view of the warnings it had already provided, I don't think Revolut was required to intervene further than it already had. I appreciate Mr C says these payments were funded by loans, but I don't think Revolut could have known that. It appears the money he transferred into Revolut to fund the payments came from an external bank account rather than directly from the lenders.

On the subject of the loans, I'm not clear about the exact situation with the lenders. But if Mr C maintains they were taken without his knowledge and consent, this is definitely something he should make the lenders aware of so they can take that into account in deciding whether and how to recover any money owed.

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

Recovery of funds

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

I understand Mr C first told Revolut about the scam on 8 August, several days 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. In the circumstances, I don't think anything that Revolut could have done differently would likely have led to his money being recovered successfully after this period of time.

In conclusion

I recognise Mr C has been the victim of a cruel scam and I'm sorry he lost such a large amount of money. I realise my comments will come as a great disappointment but, for the reasons I've explained, I think Revolut acted fairly and reasonably in its dealings with him and I'm not currently proposing to tell it to make any refund.

The responses to my provisional decision

Revolut confirmed it had nothing further to add. Mr C didn't accept my provisional decision and his representative made the argument that Revolut should have intervened further as the succession of high-value payments to cryptocurrency continued.

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, my findings haven't changed from those I set out previously. I haven't necessarily commented on every single point raised. I've 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.

Mr C's representative doesn't appear to be disputing that view that Revolut carried out a proportionate intervention in respect of the first payment. In terms of the later payments, while I think Revolut was entitled to take comfort from the fact money was going to an established payee and that a fairly thorough intervention had already taken place, I understand the view that it should have made attempts to question some of these further.

But even if I were to wholly accept this argument, I've not seen any reason to believe further interventions would have stopped the scam. Unless Mr C was willing to be more open about what was really going on, and I don't believe the evidence indicates he would have been, I don't think Revolut could reasonably have been expected to identify he was almost certainly falling victim to a scam or provide much clearer warnings than it already had. Those warnings didn't resonate with Mr C on 3 July and I've not seen anything to make me think a similar intervention would have had any more impact if repeated later on.

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 Mr C to accept or reject my decision before 14 October 2025.

James Biles
Ombudsman