

## **The complaint**

Mrs C complains that Revolut Ltd won't refund payments made as part of a scam.

Although Mrs C initially referred her complaint to the Financial Ombudsman Service through a professional representative, she's no longer being represented. I've considered submissions made by both Mrs C and her former representative, but for ease of reading I'll refer to Mrs C throughout my decision.

## **What happened**

The detailed background to this complaint is well known to both parties to the dispute and has been previously set out by the Investigator. So, I won't repeat it again here. Instead, I'll provide an overview and focus on giving my reasons for my decision.

In the summer of 2023, Mrs C unfortunately fell victim to an investment scam. Although her Revolut e-money was opened as part of the scam, between August 2023 and February 2024 payments were made from Mrs C's accounts held with other financial businesses. The scam-related payments from Mrs C's Revolut account took place between April and June 2024. After depositing money into the account, the funds were exchanged into cryptocurrency before being withdrawn to external wallets.

The scam was reported to Revolut in the summer of 2024, and it said it was unable to recover the lost funds. Revolut also refused to refund Mrs C. Unhappy with this response, Mrs C contacted the Financial Ombudsman Service.

In its file submission, Revolut raised concerns about whether our service could consider the cryptocurrency withdrawals made from Mrs C's account in relation to the scam. In their assessment, our Investigator explained that although cryptocurrency withdrawals on their own wouldn't fall under the Financial Ombudsman Service's jurisdiction, Mrs C's complaint was broader than the final step of withdrawing the cryptocurrency. To the extent that Mrs C's concerns involve the cryptocurrency withdrawals from her account, the Investigator was satisfied that given the nature of this complaint we could look into those concerns as far as they relate to the exchange of fiat money into cryptocurrency.

In relation to the merits of the complaint, the Investigator noted that Mrs C claimed she didn't make any transactions on her Revolut account. But they were satisfied that it was fair to treat the transactions as authorised. The Investigator also concluded that Revolut did make reasonable enquiries with her and provided scam warnings, but Mrs C chose to continue. So, they weren't persuaded that it could have stopped her.

Mrs C didn't agree with the Investigator's conclusions and asked for her complaint to be reviewed by an ombudsman.

## **Preliminary matters**

Revolut hasn't responded to the Investigator's findings on matters relating to our jurisdiction. I've therefore assumed that it now accepts their stance, and I only need to decide the merits of the complaint.

### **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 would firstly like to reassure both Mrs C and Revolut that although I've only provided an overview of what happened, I've read and considered everything that the parties have submitted. I won't be commenting on every point made when making my decision. Instead, I'll be focusing on the crux of the issue. Our rules allow me to do this, and it simply reflects the informal nature of our Service as an alternative to the courts.

The crux of Mrs C's complaint is that Revolut is continuing to hold her liable for transactions she states the scammer made through remote access software, and that it didn't do enough to prevent them.

It's not in dispute that Mrs C fell victim to a scam. The relevant law here is the Payment Services Regulations 2017 (PSRs). In simple terms, the starting point is that Mrs C is responsible for authorised transactions, and subject to certain exceptions, Revolut would generally be liable for unauthorised transactions. So, I'll first address the issue of whether I think it would be fair to treat the exchange of Mrs C's funds into cryptocurrency as being authorised by her.

Where evidence is incomplete or contradictory, I need to make a finding on the balance of probabilities and conclude what I think is more likely than not to have happened in light of the available evidence.

#### *Is it fair for Revolut to treat the transactions as authorised?*

Mrs C says she didn't make any transactions on her Revolut account. She explains that remote access software was installed on her device, and it was the scammer who exchanged her money into cryptocurrency before sending it to external wallets. I've considered the possibility that it was the scammer who took these steps after being granted access to Mrs C's device. But I'm not persuaded that this is what happened here.

I say this because when she first raised her suspicions with Revolut about being scammed, Mrs C acknowledged that she had converted funds into cryptocurrency under the instructions of the scammer. While I accept that Mrs C was tricked by the scammer, given the contemporaneous evidence, I'm satisfied on balance that she consented to the transactions. As such, I think it's fair for Revolut to treat the transactions as authorised. And so, under the PSRs, Mrs C would be liable in the first instance.

#### *Is there any other reason it would be fair for Revolut to reimburse Mrs C?*

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 PSRs 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 in 2024 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;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- 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); and
- 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.

EMIs are set up with the purpose of sending and receiving funds and the type of transactions they're generally used for tends to be somewhat different to banks and building societies. Often, the amounts involved will be for larger sums. But also, where there's limited account history, as was the case here, what should reasonably strike Revolut as concerning isn't down solely to the transaction amount involved.

I haven't seen any other factors at play here such that, in my view, Revolut should have been concerned and ought to have taken additional steps when Mrs C exchanged her money into cryptocurrency on the first two occasions. I accept that cryptocurrency transactions carry a higher risk, but that in and of itself doesn't mean that the transactions ought to have flagged as suspicious. Buying cryptocurrency remains a legitimate exercise.

I'm aware that following the first transaction, Mrs C did flag her suspicions to Revolut. But later she also confirmed that the Police and her other bank were involved, and she'd uninstalled third party access software from her device. As such, when Mrs C made the second transaction nearly six weeks later, I don't think it was unreasonable that Revolut didn't take any additional steps prior to processing it.

By the time the third transaction was attempted, given the rise in cryptocurrency-related activity as well as a higher transaction amount involved, Revolut ought to have recognised that there was an increased possibility of risk of financial harm from fraud. And so, I think it should have taken additional steps when it received instructions.

From the information I've seen, although Revolut didn't make additional enquiries when Mrs C exchanged money into cryptocurrency, it did intervene when the corresponding cryptocurrency withdrawal was requested a few minutes later. After informing Mrs C that the transaction had been identified as a potential scam by its systems, Revolut asked her to complete a review in its app. It asked her if she'd been pressured into making the transaction, and that if she had been told what to say or hide any details about it then this was likely a scam. I've seen Mrs C's response and she indicated that no one was assisting her in completing the transaction. She also acknowledged that she understood what Revolut had said about a third party telling her to withhold information.

When asked about the payment purpose, Mrs C said that she was making a transfer to another account of hers. She also reassured Revolut that she wasn't asked to install any software or advised that her account wasn't safe. Revolut then provided a scam warning tailored to Mrs C's answers and the screen couldn't be skipped. Throughout this intervention, Mrs C had the option to cancel the transaction, but she chose to continue. On this occasion, the transfer was processed following a three-hour delay which Mrs C was notified of in case she had second thoughts during that time. I should mention that Revolut intervened in a similar way once again during a subsequent cryptocurrency withdrawal transaction.

Although I can't say for sure how Mrs C would have responded had Revolut taken additional steps when she exchanged money into cryptocurrency for the third time (i.e. the suggested trigger point), we know that when it did intervene shortly afterwards when the converted cryptocurrency was transferred out, she wasn't forthcoming about the true nature of what was happening. She reassured Revolut that no one else was involved and she was making the transaction on her own accord.

I also can't ignore that the available information shows that by this point one of the other financial businesses had already invoked banking protocol and the Police got involved. But this didn't stop Mrs C from continuing with scam-related transactions. As such, I'm not persuaded that Revolut could have done more to prevent Mrs C from exchanging money to cryptocurrency had it intervened at any other point.

I'm aware that in late 2023, Mrs C suffered a personal bereavement. I want to offer my sincerest condolences to her on what has clearly been a difficult and upsetting time. I've carefully considered her comments about being particularly vulnerable due to the situation and this making her more susceptible to being scammed. I don't doubt what Mrs C has said about her circumstances. But, having reviewed the exchanges between her and Revolut during the relevant period, I can't fairly say that it should have picked up on her state of mind from its interaction with her. For completeness, Revolut was not a signatory to the Lending Standards Board's Contingent Reimbursement Model Code. As such, the specific provision in the code about reimbursing victims who were vulnerable at the time of the scam payments, doesn't apply in this case. Because of this, I can't fairly ask Revolut to consider reimbursing Mrs C on that basis.

In summary, I recognise that this will be significantly disappointing news for Mrs C, not least because of how long this complaint has been ongoing. But overall, I'm satisfied that it's fair for Revolut to have deemed the transactions as being authorised and I'm not persuaded it could have stopped Mrs C. So, I'm not upholding her complaint against Revolut.

### **My final decision**

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 17 February 2026.

Gagandeep Singh  
**Ombudsman**