

The complaint

Mr S complains that Revolut Ltd (“Revolut”) won’t refund over £24,000 he lost to an investment scam beginning in June 2022.

The details of this complaint are well known to both parties, so I won’t repeat everything again here. Instead, I will focus on giving the reasons for my 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 agree with the conclusions reached by the investigator for the following reasons:

- It isn’t in dispute that Mr S authorised the disputed payments he made to his crypto wallets using his Revolut debit card (where his funds were subsequently transferred on to the scammer). The payments were requested using his legitimate security credentials provided by Revolut, and the starting position is that firms ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I’ve considered whether Revolut should have done more to prevent Mr S from falling victim to the scam, as there are some situations in which a firm should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- I appreciate that overall, Mr S has lost over £24,000 which is a significant amount of money. But this amount wasn’t paid in one large or ‘out of character’ transaction. It was spread over eight separate smaller increments over the course of three months which, in my judgment, would not have appeared particularly unusual or indicated a heightened risk of fraud. I can see from Mr S’s statements that he had previously invested money from his Revolut account. And while I appreciate the payment he made to Moonpay on 23 June 2022 was the first time he was paying a crypto merchant, it isn’t unusual for Revolut customers to use their accounts for such purposes, particularly when they have a history of investing. And the first payment he made to Moonpay was not so significant that it ought reasonably to have appeared out of character either.
- I acknowledge that the largest payment Mr S made to Moonpay as part of the scam was for around £7,000 on 12 August 2022. However, by that point, he had already made three payments to the same account, so from Revolut’s perspective, this would’ve appeared to have been going to what was then an established payee. And I don’t think the payment on 12 August 2022 marked a significant escalation in spending to the merchant either.
- So, having considered the payments Mr S made to his crypto wallets, I’m not persuaded there was anything that ought reasonably to have triggered Revolut’s fraud monitoring systems, or that would have indicated he was in the process of being scammed, such

that it should have provided a scam warning.

- I've also thought about whether Revolut could have done more to recover the funds after Mr S reported the fraud, as in some circumstances the money can be recovered via the bank raising a chargeback dispute. However, in these circumstances, Mr S used his debit card to pay a legitimate crypto-exchange platform before the funds were subsequently transferred on to the scammer. So, he'd be unlikely to make a successful chargeback claim in these circumstances because the merchant he paid had provided the services as intended (i.e. the purchase of cryptocurrency). Therefore, I do not think Revolut were under any obligation to pursue a chargeback for all the payments Mr S made either.

I appreciate this will likely come as a disappointment to Mr S, and I'm sorry to hear he has been the victim of a cruel scam. However, in the circumstances, I do not consider it would be fair and reasonable to hold Revolut liable for his loss.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 December 2023.

Jack Ferris
Ombudsman