

The complaint

Mr F complains that Revolut Ltd (“Revolut”) won’t refund around £44,000 he lost to a cryptocurrency investment scam.

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 F authorised the disputed payments he made to his crypto wallet from his Revolut account (where his funds were subsequently transferred on to the scammers from his crypto wallet). The debit card 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 F 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.
- It’s accepted in this instance that the account activity was considered unusual or high risk by Revolut, as I can see that it spoke to Mr F after a failed payment on 27 January 2023. Accordingly, it’s just a question of whether Revolut went far enough in all the circumstances with its intervention.
- Revolut spoke to Mr F about the payment he was attempting through its in-app chat function. It asked him questions such as whether he had recently downloaded AnyDesk, or if anyone had asked him to open a Revolut account and was encouraging him to make an outbound payment. Mr F said that he hadn’t, despite only having opened his account on 26 January 2023, where he was also being asked to make outbound transfers.
- Given Revolut would have known that Mr F was paying a cryptocurrency platform, I think it should have gone further with its questioning and also issued him with a cryptocurrency investment scam warning, as it would have been aware of the significant increase in these sorts of scams by January 2023. However, Mr F has explained that while he was speaking to Revolut, the scammer was in the background telling him what to say and how to answer Revolut’s questions.
- So, it’s clear that Mr F would not have provided upfront and honest answers in response

to Revolut's questions, even if it had probed further. And given he was following the scammer's instructions at each step, I don't think he would've likely taken any notice of a written investment scam warning either. Indeed, I note that Mr F also wasn't honest when he was questioned by another bank that was part of the same scam. The bank asked Mr F if anyone had asked him to lie or give misleading answers, to which he said, "*Not at all*", despite this being untrue. I note that he also took out a loan with another bank to fund the investments, but misled the bank as to the purpose of the loan as he said it was for home improvements. As a result, I'm not persuaded any further probing or warnings Revolut could've provided would have likely revealed the scam, so I don't consider it can fairly or reasonably be held liable for his loss in these circumstances.

- I also don't think there was anything more Revolut could've done to recover the money Mr F lost. In terms of the debit card payments, a chargeback claim would've had little prospect of succeeding given Mr F received the asset he had purchased (i.e. the cryptocurrency).

I appreciate this will likely come as a disappointment to Mr F, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm not persuaded Revolut can fairly or reasonably be held liable for his loss in these circumstances.

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 F to accept or reject my decision before 16 April 2024.

Jack Ferris
Ombudsman