

The complaint

Miss D complains that Revolut Ltd have failed to refund £1,800 she says she lost to a crypto investment scam.

The details of this complaint are well known to both parties. So, if there's a submission I've not addressed; it isn't because I've ignored the point. It's simply because my findings focus on what I consider to be the central issues in this complaint – that being whether Revolut was responsible for Miss D's loss

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 our Investigator for the following reasons:

- It isn't in dispute that Miss D authorised the disputed payments she made to an individual for what she says was to facilitate an investment in crypto. Miss D has said the funds were then transferred on to the scammers. The payments were as follows:

Date	Payment
17/4/2024	£500
17/4/2024	£200
17/4/2024	£500
17/4/2024	£100
18/4/2024	£400
18/4/2024	£100
Total	£1,800

- The payments were requested by Miss D using her legitimate security credentials provided by Revolut. In line with the Payment Services Regulations 2017, consumers are liable for payments they authorise. Revolut is expected to process authorised payment instructions without undue delay.
- Revolut also has obligations to help protect customers from financial harm from fraud and scams. Those obligations are however predicated on there having been a fraud or scam.
- Miss D says she was introduced to the investment by a friend via a social media platform – but that her friend's account had been hacked by the scammers. Unfortunately, Miss D has been unable to provide conclusive evidence to show she's

been the victim of a scam. So, all we do know is that Miss D made payments to an individual with no obvious links to crypto for, what she believed, the purposes of the investment.

- But for completeness, I've considered whether Revolut should've done more to protect Miss D, as there are some situations in which Revolut should reasonably have had a closer look at the circumstances surrounding a particular transaction. For example, if it was particularly unusual or suspicious.
- Revolut declined the first £500 payment and provided Miss D with a tailored written warning. She confirmed the payment purpose as 'investment' after which she was asked several investment specific questions. Her responses included that she was investing in crypto, had invested in crypto before, wasn't being coached in her responses, had control of her account, and had seen no scam reviews linked to the investment company.
- Miss D was then sent several crypto investment related warnings which *specifically* said this could be a crypto investment scam. She was advised of all the common crypto investment scam hallmarks; including not to be rushed into making the payments. Miss D chose to continue, and the subsequent payments were then processed by Revolut without further restrictions. I think Revolut's response here was proportionate to the risk it identified. I'll explain why.
- At the time these payments were made there was a high prevalence of crypto investment scams; and so, the risks of making crypto related payments should've been well known to Revolut. But Miss D's responses to Revolut's questions around the risks of crypto investment scams assured it the payments were legitimate.
- I appreciate that Miss D has lost £1,800 which is a significant amount of money. But this amount wasn't paid in one large transaction. It was spread over five separate smaller increments to the same payee. This, in my judgement, wouldn't have appeared particularly suspicious to Revolut – particularly as it had already warned Miss D of the potential risks and been assured by her responses.
- The payments didn't sequentially increase in value. This isn't usually conducive with the hallmarks of a scam and would, in my opinion, have further reassured Revolut that the payments were more like normal account activity.
- So, having considered the payments Miss D made, and her responses to the warnings Revolut provided - I'm not persuaded, on balance, there was anything unusual or suspicious that ought reasonably to have indicated to Revolut that she might be in the process of being scammed so that it should've stopped any further payments or refused them altogether.

I appreciate this will likely come as a disappointment to Miss D, and I'm sorry to hear of the situation she has found herself in. However, in the circumstances of this complaint, I do not consider it would be fair and reasonable to hold Revolut responsible for Miss D's 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 Miss D to accept or reject my decision **before 19 December 2024**.

Anna Jackson
Ombudsman