

## **The complaint**

Mr E complains Revolut Ltd won't refund the money he lost when he fell victim to a scam.

## **What happened**

Around August 2023, Mr E says he was contacted by someone via a popular messaging app who told him about a cryptocurrency investment opportunity. Unfortunately, this was a scam.

The scammers directed Mr E to open an account with Revolut. Between late August to mid-September 2023, he used this account to send around £14,000 to his cryptocurrency wallet. From there, he sent the funds on to the scammers – thinking the money was being loaded to a genuine trading platform.

Mr E says he realised he had been scammed when he was subsequently told he needed pay £5,000 to withdraw from the platform. He complained to Revolut (via a professional representative) that it should refund him, arguing it should have done more to protect him when he made the payments. Revolut didn't agree to refund Mr E, so he referred the matter to our service.

Our investigator didn't uphold this complaint. She wasn't persuaded Revolut ought to have uncovered the scam at the time, nor that it could have recovered his loss when the scam was reported.

Mr E has appealed the investigator's outcome. In summary, he says when he selected the payment purpose of paying "friends and family", and said he wasn't purchasing cryptocurrency, Revolut should have been concerned – as it could see he was sending funds to a cryptocurrency exchange.

## **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've decided not to uphold it. I'll explain why.

It's agreed Mr E authorised these payments. That means the starting position is that he's liable for the transactions. In line with the Payment Services Regulations 2017, firms are expected to process authorised payment instructions without undue delay.

However, there are some situations where I would reasonably expect a firm to make further enquiries about a payment before deciding whether to process it – such as in circumstances where there are grounds to suspect it presented a fraud risk. If a firm failed to respond proportionately to such a risk, and doing so would have prevented the consumer from incurring a fraudulent loss, it may be fair to hold the firm liable.

Here, we know Revolut did identify some scam payments as suspicious – such as a £4,000 transfer Mr E attempted. Initially, Revolut triggered a process to ask Mr E what the payment was for. He selected that he was paying "a family member or friend".

Mr E's representative argues Revolut shouldn't have taken this response at face value – but it didn't. It blocked his account and forced Mr E into its in-app chat to discuss further what he was doing.

Revolut then set out a list of questions to Mr E about what he was doing. While it's true he initially responded "no" to its question about whether he was buying cryptocurrency, I'm conscious this was within a block of questions from Revolut. He also then immediately clarified he was transferring funds to his "safe wallet".

Revolut then said it could see he was trying to send payment(s) to his cryptocurrency wallet – which Mr E acknowledged. It appears this referred to not only the transfer he attempted, but also some blocked card payments. It probed him further about this, and he said:

- He was adding money to his own cryptocurrency wallet which he'd been using for three years;
- He had been able to withdraw funds from that wallet;
- His brother had taught him about the wallet/cryptocurrency;
- The funds he was transferring were "to [him]self only";
- When asked why he was using Revolut rather than transferring directly from his main account, he explained his main bank would no longer allow transfers to the merchant providing the wallet (which, to be clear, is a genuine merchant and not part of the scam).

Revolut proceeded to warn Mr E about the common features of cryptocurrency investment scams. He confirmed he wanted to proceed. Revolut unblocked his account and he sent further payments to the scam (via card payments to his own, genuine cryptocurrency wallet).

Based on this interaction, and the records I have seen of Mr E's contact with the scammer, it seems he had built up trust with them – and was determined to proceed. He wasn't willing to fully divulge what he was doing, and wasn't deterred by relevant warnings from Revolut about the type of scam he was falling victim to.

While I appreciate this was likely due to the influence exerted by the scammer, the way Mr E responded didn't make the true nature of the scam risk clear. I therefore think that, even if Revolut had intervened sooner and/or probed Mr E further, it's unlikely this would have succeeded in uncovering the scam and preventing him from proceeding and incurring this loss.

I also agree with the investigator that Revolut couldn't have recovered the funds when Mr E reported the scam. That's because all the successful scam payments were sent, by card, to his wallet with a genuine merchant – and were lost from there.

Having carefully considered all the circumstances, I don't consider it fair to direct Revolut to reimburse Mr E's loss, or to take further action to resolve this complaint.

### **My final decision**

For the reasons given above, 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 E to accept or reject my decision before 5 June 2025.

Rachel Loughlin  
**Ombudsman**