

The complaint

Mr C complains that Revolut Ltd (Revolut) is refusing to refund him the amount he lost as the result of a scam.

Mr C is being represented by a third party. To keep things simple, I will refer to Mr C throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr C was attempting to create a cryptocurrency token when he came across a company I will call "A" via social media that could help. Having spoken to A on several occasions he started to make payments towards what he thought was the creation of the token. However, having received Mr C's payments, A continued to ask for further funds giving reasons such as fees and marketing. Mr C then realised he had been dealing with a clone of a genuine company and stopped making payments.

Mr C still wanted to create his own cryptocurrency token so in the following month, when he was contacted by another company I will call "B", that said it could help with marketing, social media and consultation he was happy to part with further funds.

Mr C later noticed a spoof email and found he had been scammed a second time.

Mr C made the following payments in relation to the scams from his Revolut account:

Scam A

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
1	10 March 2023	Binance	Debit Card	£1,900
2	21 March 2023	Binance	Debit Card	£8,375

Scam B

3	9 April 2023	Binance	Debit Card	£5,760
4	10 April 2023	Binance	Debit Card	£3,290
5	14 April 2023	Binance	Debit Card	£2,715
6	17 April 2023	Binance	Debit Card	£8,240
7	17 April 2023	Binance	Debit Card	£9,500
8	17 April 2023	Binance	Debit Card	£9,500
9	17 April 2023	Binance	Debit Card	£5,800
10	17 April 2023	Binance	Debit Card	£80
11	19 April 2023	Binance	Debit Card	£8,200
12	19 April 2023	Binance	Debit Card	£60
13	20 April 2023	Binance	Debit Card	£8,230

Our Investigator considered Mr C's complaint and didn't think it should be upheld. Mr C disagreed, so this complaint has been passed to me to decide.

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.

Mr C has set out in detail what happened to lead to his loss. What is in dispute is whether Revolut should refund the money Mr C lost.

Recovering the payments Mr C made

Mr C made payments into the scams via his debit card. When payments are made by card the only recovery option Revolut has is to request a chargeback.

I can see that Revolut did attempt to recover Mr C's disputed payments by raising chargeback claims, but unfortunately this was not successful.

Mr C made the payments in relation to the scams to a cryptocurrency exchange in exchange for cryptocurrency that was provided to him, and it took further steps for the currency to be sent to a third-party.

As there is no dispute that the cryptocurrency was provided to Mr C in exchange of the payments, I don't think it was unreasonable that the chargeback attempts were not successful.

Should Revolut have reasonably prevented the payments Mr C made?

It has been accepted that Mr C authorised the payments that were made from his account with Revolut, albeit on A and B's instruction. So, the starting point here is that Mr C is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have been aware of the scam and intervened when the payments were made. And if it had intervened, would it have been able to prevent the scam taking place.

There is limited information here to support company B was operating a scam. And there was and is nothing available in the public domain to support that either company was operating a scam at the point Mr C was making payments.

However, the payments Mr C made were significant in value and they were being made to a well-known cryptocurrency exchange. At the time Revolut would have known the increased risks that came with such payments.

Given what Revolut know about this type of payment and that it was unusual for Mr C to be making this value and type of payment I think it would have been reasonable for Revolut to have intervened at payment 2 and again when Mr C went on to make significant payments to company B. However, I don't think this would have made a difference. I will explain why.

Mr C was not falling for a common cryptocurrency scam such as an investment, or

employment scam, instead he was looking to create a cryptocurrency token. Scammers are not generally on the lookout for individuals looking to create tokens as this is a niche area.

Had Revolut intervened, as I think it should have, for example by directing Mr C to it's in App chat facility and questioned Mr C about the motivation behind his payments I think it is likely he would have been honest and explained he was looking to create his own token. As Mr C was not investing in cryptocurrency in the standard way and had not been contacted randomly as with general scams, I would not have expected Revolut to provide standard cryptocurrency investment warnings. Instead, I would have at most expected Revolut to encourage Mr C to research A and B before making substantial payments.

Mr C already trusted A and B enough to make large payments to them and had he taken Revolut's advice and researched both further he would not have found anything to support the fact that he was being scammed, so I think it's most likely he would have continued with the payments.

Mr C has said that Revolut should have intervened sooner and on more occasions. Mr C has also provided supporting information by way of previous decisions reached by our service. But each case is considered on its own merits, and for the reasons I've set out above I don't think any further intervention would have made a difference. I don't think Revolut missed an opportunity to prevent Mr C's loss, and it is not required to refund the payments he made.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 6 June 2025.

Terry Woodham
Ombudsman