

The complaint

Mrs F is being represented by solicitors. She's complaining about Revolut Ltd because it declined to refund money she lost as a result of fraud.

What happened

Sadly, Mrs F fell victim to a series of cryptocurrency investment scams that she originally saw advertised on social media. She says she carried out her own research into the companies and was set up with accounts on platforms that looked genuine by the scammers who seemed professional and knowledgeable.

Between November 2023 and January 2024, Mrs F made the following payments – the first to an individual account and the rest to known cryptocurrency exchanges - that were lost to the scams:

No.	Date	Payee	Amount £	Type
1	29 Nov	individual account	1,000	Transfer
2	11 Dec	crypto exchange 1	50	transfer
3	11 Dec	crypto exchange 1	950	transfer
4	7 Jan	crypto exchange 2	50	card
5	7 Jan	crypto exchange 2	20	card
6	7 Jan	crypto exchange 2	50	card
7	7 Jan	crypto exchange 2	100	card
8	8 Jan	crypto exchange 2	100	card
9	8 Jan	crypto exchange 2	100	card
10	8 Jan	crypto exchange 2	100	card
11	8 Jan	crypto exchange 2	100	card
12	27 Jan	crypto exchange 2	3,000	card
13	29 Jan	crypto exchange 2	1,000	Card

Our investigator didn't recommend the complaint be upheld. He felt Revolut had made appropriate enquires and provided proportionate warnings about the payments before they were processed and wasn't responsible for the loss.

Mrs F didn't accept the investigator's assessment. Her representative made the point that it's well known that scammers groom victims into setting up accounts with genuine cryptocurrency exchanges. It says Revolut should have identified a change in Mrs F's spending pattern and asked more questions about the payments she was making that it believes would have led to the scams being uncovered.

The complaint has now been referred to me for review.

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 reached the same overall conclusions as the investigator. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

In broad terms, the starting position at law is that an Electronic Money Institution (EMI) such as Revolut is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

In this case, there's no dispute that Mrs F authorised the above payments.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Revolut also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mrs F.

The payments

One of the key features of a Revolut account is that it facilitates payments that often involve large amounts and sometimes the purchase of cryptocurrency. I must take into account that many similar payment instructions it receives will be entirely legitimate. I'm also conscious this was a new account and there was no history of past activity against which these payments might have looked suspicious.

Having considered what Revolut knew about payment 1 at the time it received Mrs F's instruction, I'm not persuaded it ought to have been particularly concerned about it. The amount involved was relatively low and it wasn't to a known cryptocurrency exchange, with the money instead going to an individual account in what was presumably a peer-to-peer cryptocurrency purchase.

Payment 2 was for a minimal amount but Revolut has said payment 3 was identified as potentially suspicious and that steps were taken to question it before it was processed. In addition to showing various generic scam warnings in the app, Revolut has explained that it asked Mrs F a series of questions about the payment in the app, including the purpose, whether she was being guided and whether she'd been asked to install screen-sharing software.

In response to these questions, Revolut's records show Mrs F answered to say she was investing in cryptocurrency, that she'd done so before, that she wasn't being guided through the process, that the money was going to an account she controlled, and that she hadn't been instructed to download any software.

Mrs F was then directed to the in-app chat to discuss the payment with an agent, where she again said she wasn't being guided through the process. The agent provided various warnings, including that she was likely being scammed if she was being guided and that scammers often create convincing looking posts on social media.

On balance, I think the steps taken by Revolut to intervene before payment 3 was processed were proportionate to the risks it presented. And based on the information it received from Mrs F, I'm satisfied appropriate warnings were provided and I wouldn't have expected it to have intervened further in these circumstances.

Turning to the later transactions, payments 4 to 11 were for much smaller amounts and were made several weeks after payment 3 and I don't think Revolut should have been concerned about them. Payments 12 and 13 were for higher amounts but by this time Mrs F had an established history of purchasing cryptocurrency and based on the information it had received when it questioned payment 3, I don't think Revolut should have viewed them with any particular suspicion.

So, taking everything into account, I don't think I can reasonably say Revolut was at fault for processing these payments in accordance with Mrs F's instructions.

I want to be clear that it's not my intention to suggest Mrs F is to blame for what happened in any way. She fell victim to sophisticated scams that were carefully designed to deceive and manipulate their victims. I can understand why she acted in the way she did. But my role is to consider the actions of Revolut and, having done so, I'm not persuaded these were the cause of her losses.

Recovery of funds

I've also looked at whether Revolut could or should have done more to try and recover Mrs F's losses once it was aware the payments were the result of fraud.

I understand Mrs F first notified Revolut of the fraud in March 2024, several weeks after the last payment. It's a common feature of this type of scam that the scammers will move money very quickly to other accounts once received to frustrate any attempted recovery and I don't think anything that Revolut could have done differently would likely to have led to those payments being recovered successfully after this period of time.

As some of the payments outlined above were card payments, I've considered whether Revolut should have tried to recover the money through the chargeback scheme. This is a voluntary agreement between card providers and card issuers who set the scheme rules and is not enforced by law. A chargeback isn't guaranteed to result in a refund, there needs to be a right to a chargeback under the scheme rules and under those rules the recipient of the payment can defend a chargeback if it doesn't agree with the request.

We'd only expect Revolut to have raised a chargeback claim if it was likely to be successful and it doesn't appear that would have been the case here. Mrs F paid legitimate cryptocurrency exchanges and would have received a service that involved changing her money into cryptocurrency before sending it to the wallet address she supplied it with (albeit the wallet address was provided by the scammer). Mrs F's disagreement is with the scammers, not the cryptocurrency exchanges and it wouldn't have been possible for Revolut to process a chargeback claim against the scammers as she didn't pay them directly.

In conclusion

I recognise Mrs F has been the victim of a cruel scam and I'm sorry she lost this money. I

realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I think Revolut acted fairly and reasonably in its dealings with her and I won't be telling it to make any refund.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 16 June 2025.

James Biles
Ombudsman