

The complaint

Mr B complains that Revolut Ltd ('Revolut') won't refund the money he lost as the result of a scam.

What happened

In 2023, Mr B was contacted through a messaging app, by someone I'll refer to as C.

Mr B says that he had been in contact with C for almost two years and had completed one of C's courses.

C said he could help Mr B earn a 400% return through cryptocurrency trading and could turn £1,000 into £4,000 within 48 hours. C would take 10% of Mr B's profit as commission.

C got Mr B to open cryptocurrency wallets, purchase cryptocurrency, then forward it to an account C controlled.

C says their messaging profile was hacked, and Mr B was contacted by a scammer impersonating them.

Mr B says the scammer talked in the same way C does, so he had no reason to doubt that it was C he was talking to. Also, C was someone that Mr B trusted based on his reputation and the previous interaction he'd had with him.

These are the payments that Mr B made from his account with Revolut. Mr B also made two payments from an account he held with a different bank (Bank M), prior to the payments from his Revolut account.

Date	Pmt	Details of transaction	Amount
12.9.2023	1	Card payment to P – a cryptocurrency exchange	£100
12.9.2023	2	Card payment to P – a cryptocurrency exchange	£200
12.9.2023	3	Card payment to S – a cryptocurrency exchange	£9,000
15.9.2023	4	Bank transfer to S1 – a cryptocurrency exchange	£1,000
16.9.2023	5	Bank transfer to S1 – a cryptocurrency exchange	£5,000
18.9.2023	6	Card payment to P – a cryptocurrency exchange	£500
20.9.2023	7	Card payment to S – a cryptocurrency exchange	£5,000
20.9.2023	8	Card payment to S – a cryptocurrency exchange	£1,000
20.9.2023	9	Card payment to S – a cryptocurrency exchange	£5,000
		<i>Refund (payment returned)</i>	<i>£5,000 cr</i>
23.9.2023	10	Card payment to S – a cryptocurrency exchange	£2,000
27.9.2023	11	Card payment to S – a cryptocurrency exchange	£2,000
2.4.2024	12	Card payment to M – a cryptocurrency exchange	£2,000
2.4.2024	13	Card payment to M – a cryptocurrency exchange	£2,000
6.4.2024	14	Card payment to M – a cryptocurrency exchange	£4,500

Mr B says he watched his investment grow but, when he tried to withdraw the funds, he was told that he needed to pay a fee.

Mr B made the payment but was told he had missed the deadline. When he was unable to withdraw his investment, he realised it was a scam.

Mr B reported the scam to Revolut in 2024, through a professional representative.

Revolut investigated Mr B's claim but declined to refund him. Revolut said they followed Mr B's payment instructions and weren't liable for his loss. As Mr B received cryptocurrency for the card payments, there aren't any chargeback rights.

Mr B wasn't happy with Revolut's response, so he brought a complaint to our service.

An investigator looked into his complaint but didn't recommend that Revolut refund him. The investigator explained that Revolut had intervened on some of the payments and provided Mr B with warnings, based on the payment purposes he chose. For one of the payments, he chose "investment" as the purpose, and was given a relevant warning, but proceeded with the payment regardless. The investigator was satisfied that Revolut acted fairly in not raising a chargeback and had attempted to recover Mr B's funds related to the bank transfers.

Mr B disagreed with the investigator's opinion and asked for an ombudsman to review his case. Mr B believes Revolut could've uncovered the scam if they had asked open questions, and that he would've listened if they had warned him that he was the victim of a scam.

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.

I'm really sorry to hear about the impact this scam has had on Mr B. Scams seriously impact the victim's mental health and wellbeing and have long-lasting effects. But, being the victim of a scam, doesn't necessarily mean that Mr B is entitled to a refund.

When considering what is fair and reasonable, I'm also required to take into account: relevant law and regulations; regulatory rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I've reached my decision on the balance of probabilities. In other words, on what I consider is more likely than not to have happened in light of the available evidence.

In broad terms, the starting position in law is that an electronic money institute (EMI) like Revolut is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

There are, however, some situations where we believe that businesses, taking into account relevant rules, codes and best practice standards, shouldn't have taken their 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 interest of its customers and to follow good industry practice to keep customers' accounts safe.

Revolut's intervention

Revolut say that for each new payee, Mr B was shown a warning which asked if he trusted and knew the payee.

Revolut were concerned when Mr B made payment five and asked the purpose of the payment, Mr B chose "buy or rent goods and services". In response, Revolut asked follow-up questions about the purchase and Mr B told them that he was buying something from a social media/online marketplace, it was averagely priced, he'd checked reviews online and had seen proof of ownership. Mr B was then shown a number of onscreen warnings related to purchase scams.

Payment eight also flagged on Revolut's system and when asked for the purpose, Mr B chose "as part of an investment". Revolut asked Mr B if anyone was telling him how to answer their questions, telling him what options to choose or telling him it was urgent. Mr B said no.

Revolut then asked further questions and Mr B told them that he was buying cryptocurrency, he hadn't installed any software, he had found the investment through a friend or family member, he'd invested in cryptocurrency before, and he had checked reviews for the investment company.

Mr B was then presented with a number of onscreen warnings specifically related to cryptocurrency scams. These said:

- Crypto scams promise high returns in short periods of time and might even have professional looking online platforms.
- Fraudsters use social media to promote fake investment opportunities. Read online reviews to make sure it's legitimate.
- Don't give anyone remote access.
- Do your own crypto research. Most crypto exchanges aren't regulated. Search for any mentions of scams in online reviews.
- Don't be rushed. Take time to speak with family and friends before making large investments. Say no if you're pressured to invest.

Revolut also referred Mr B to talk to one of their agents on 12 September, 13 September and 16 September, through their in-app chat. They did this so they could ask Mr B more open questions in relation to the payments he was making.

As part of his chat with Revolut on 13 September, Revolut said: "we'd like to warn you that there's been an increase in scams targeting crypto investors where customers move their funds to wallets they don't control. Fraudsters show victims fake investment gains, but the scam only materialises when you attempt to withdraw your funds". On 16 September Revolut said: "fraudsters appear knowledgeable, create convincing looking posts on social media, or share articles about investing. If someone says you need to send money as a tax or fee to access your funds, you are being scammed. Our fraud detection systems show that there's a strong chance that this investment is a scam."

For completeness, I would've expected Revolut to have also intervened on payment three, and it's unclear if they did.

Would better intervention have prevented Mr B's loss?

Revolut asked a number of open questions about the payment Mr B said was related to "investment". They also provided Mr B with a number of warnings about common features of cryptocurrency scams and what to look out for.

Unfortunately, for at least one payment, Mr B didn't select the correct payment purpose, which meant the warning he was given wasn't relevant to his situation.

But, even if Revolut had provided better warnings or asked more open questions as part of their interventions, I'm not satisfied this would've prevented Mr B's loss. I'll explain why.

Mr B believed that the investment was presented to him by someone he had known for a number of years and fully trusted. Mr B says C had sold courses, one of which Mr B had attended, and was high-profile on an online retailer. Also, the scammer talked in the same way that C would've. So, there was nothing to indicate to Mr B that he wasn't genuinely dealing with C.

I appreciate that Mr B feels more open questions and a better warning would've prevented his loss. But I also have to take into account that the warnings Revolut did give about cryptocurrency scams, set out above, didn't resonate with Mr B. This was despite references to a promise of high returns in a short period of time and issues arising when investors try to withdraw their funds.

Based on the trust that Mr B put in C, I'm not satisfied that I can say it's more likely than not better warnings or further intervention by Revolut would've broken the scammer's spell or prevented Mr B from making the payments.

Chargeback and recovery of funds

Revolut contacted the beneficiary bank for the transfers Mr B made, but no funds were returned. For the card payments, chargeback wouldn't have been successful as Mr B received what he paid – being cryptocurrency. Based on the evidence, I'm satisfied that Revolut took appropriate steps to try and recover Mr B's money.

I'm really sorry to disappoint Mr B, but I'm not satisfied that I can fairly hold Revolut liable for his loss or ask them to refund him.

My final decision

My final decision is that I don't uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 August 2025.

Lisa Lowe
Ombudsman