

The complaint

Mr G complains that Revolut Ltd did not reimburse the funds he lost to a scam.

What happened

Mr G met a woman on social media on 7 June 2023, and they began talking. They built up a relationship and spoke about meeting each other. They talked regularly about their lives and at some point, they began speaking about cryptocurrency. Mr G had already been investing in cryptocurrency for some time prior to meeting the woman who I refer to as 'X'. He had used his Revolut account to convert fiat currency into cryptocurrency and vice versa and had also used other cryptocurrency platforms to convert funds.

X introduced Mr G to a 'maker-lending' platform, in which he could provide liquidity to a pool and earn rewards three times a day for doing so. He started off by investing around 2,000 USDT on 16 June 2023, and he was able to see the rewards going into his trust wallet that was connected to the pool. His relationship with X grew and she explained how she would take out loans to fund her cryptocurrency investments. Mr G went on to take out two loans to fund the maker-lending investment, and made further payments on 20 and 22 June, as well as 30 June. I've listed these below:

Date	Amount
16/06/2023	£20.00
16/06/2023	£1,600.00
16/06/2023	£40.00
16/06/2023	£50.00
20/06/2023	£7,500.00
22/06/2023	£7,500.00
30/06/2023	£4,750.00
30/06/2023	£4,750.00
30/06/2023	£4,750.00

Shortly after the final payments, Mr G accidentally pressed a button on the maker-lending platform that entered him into a rewards programme. This meant he had to deposit a further 50,000 USDT in order to withdraw the 50,000 USDT he thought he had made. It was at this point he thought he may have been the victim of a scam. He reported the incident to Revolut and Action Fraud and asked them to look into it for him. Revolut did not agree to reimburse him.

Around a year after the scam occurred, Mr G raised a complaint via a representative and referred it to our service. Our Investigator looked into it and felt that while Revolut did provide a tailored cryptocurrency warning for the initial payment of £7,500, they should reasonably have made further interventions when he made multiple payments of £4,750 on 30 June 2023. However, they did not think any intervention from Revolut would have revealed the scam and prevented further payments from being made, as Mr G was deep under the spell of the scammer by that time.

Mr G's representative disagreed with the findings. They felt a direct warning from Revolut

would have been impactful and had one been provided; it would have broken the spell of the scam.

As an informal agreement could not be reached, the complaint has been passed to me for a final decision.

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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

Broadly speaking, the starting position in law is that an account provider is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the account. And a customer will then be responsible for the transactions that they have authorised.

It's not in dispute here that Mr G authorised the payments in question as he believed they were part of a legitimate investment. So, while I recognise that he didn't intend the money to go to scammers, the starting position in law is that Revolut was obliged to follow Mr G's instruction and process the payments. Because of this, he is not automatically entitled to a refund.

The regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams. So, I've also thought about whether Revolut did enough to try to keep Mr G's account safe.

I've looked over Mr G's statements, and I can see he had held the Revolut account for some time prior to the scam occurring. And in the months leading up to the scam, he had been using his Revolut account to exchange fiat currency into cryptocurrency. He had also sent funds directly to cryptocurrency merchants, including a £5,000 transfer to a known cryptocurrency merchant less than a month prior to the scam occurring. With this in mind, I do not think it was unusual for Mr G to make payments towards cryptocurrency, which can carry a higher risk of financial harm. And it was not unusual for him to make higher value payments towards cryptocurrency.

Having considered this, while I do think there should have been some form of intervention on the payment of £7,500, I do not think this needed to be a human intervention at that point. I can see that Revolut did intervene in the payment and they asked Mr G to select the purpose of the payment from a drop-down list. He selected cryptocurrency, which was the best option available for what the payment was for. As a result of this, Revolut provided Mr G with a tailored warning about payments going to cryptocurrency and gave him the option of either continuing with the payment, or speaking with a member of staff via the in-app chat. Mr G chose to continue with the payment.

I therefore think the level of intervention Revolut applied at that point was in line with what I would have expected in the circumstances. I can see that the tailored warning Revolut provided said to make sure no one besides you had access to the account the funds were

going to, that if you had been asked to download software it could be a scam, and to research into what you are investing in to ensure they are a legitimate company or cryptocurrency. While these are all relevant warnings, I do think some additional points could have been included, such as to be wary of investments that have been endorsed by celebrities and to be wary of cryptocurrency investments involving brokers or advisors.

As the second payment of £7,500 was to the same payee and Revolut had already provided a tailored warning for the first one, I do not think a further intervention was needed on this payment. A pattern had been established, and Mr G had already confirmed he was happy for a similar payment to go through a few days before. Mr G went on to make a final three payments, and while these were for a lower value than the £7,500 payments, they were made in quick succession and just a few minutes apart. Because of this, even though the type of transactions and the values generally matched genuine account activity, the pattern of the payments could be seen as unusual. I therefore think there should have been a further intervention on the final payment of £4,750 on 30 June 2023. This should at a minimum have been a further tailored cryptocurrency warning, as it was going to a known cryptocurrency merchant. And it could be argued that due to the frequency, a human intervention of an in-app chat was warranted.

I've therefore considered whether a further tailored warning or a human intervention at the point of the final payment would reasonably have uncovered the scam and prevented Mr G from making further payments. When assessing this, I have considered all of the evidence available to me to reach an on balance finding on what I think *most likely* would have happened in the circumstances.

As set out above, I think Revolut should have provided Mr G with a further tailored warning on the final payment of £4,750 or carried out a human intervention. Had they done so, considering the romantic relationship that had formed between Mr G and X, and that Mr G was clearly under the spell of the scammer at that time, I think it is unlikely any type of warning would have had a significant impact or prevented the scam.

I have looked over the communication that is available between Mr G and X, which spans from 11 June to 2 July 2023. In this, I can see that Mr G quickly builds a relationship with X, and they talk quite a significant amount each day. They talk about meeting each other one day and a romantic element to their relationship builds over time. I therefore think that by the time Mr G made the final payment, he was deep under the spell of the scammer.

I think this is further highlighted when Mr G sent X a website link that suggested the investment he had made was part of a scam. He said that he wanted to video call with X to make sure it was real, and not a scam. The chat shows a video call occurred and following that point Mr G appeared to be initially satisfied X was real and they continued to speak sporadically for another day, and it was another day after that before he reported the scam to Revolut and Action Fraud. In the report to Action Fraud, Mr G asks them to investigate and see if it is legitimate or a scam, so seemingly at that point he is still a little unsure as to whether he has been the victim of a scam.

All of this indicates to me that Mr G was deep under the spell of the scammer and even after he raised concerns directly with the scammer as well as a complaint with Action Fraud, he remained unclear if he had actually been the victim of a scam or not.

I also have to consider that Mr G had been investing in cryptocurrency himself prior to engaging with X and had been using Revolut already to convert funds and send payments to cryptocurrency merchants. It was Mr G that initially brought up cryptocurrency to X in the chat, and he gave her advice on ways to store her cryptocurrency. With this in mind, I don't think Mr G would have thought of X as an advisor or someone who was guiding him, and I

think it is more likely he viewed her as a friend who he could share cryptocurrency tips with. And Mr G has said he carried out his own research in maker-lending before he went ahead and invested.

With all of this in mind, had Revolut carried out a human intervention and asked Mr G about what he was investing in, I think he would have been open and honest, as he was when Revolut asked him for the purpose of the £7,500 payment. If Revolut had asked how he came across the investment and if he was being guided, I think it's more likely he would have felt a friend had showed him it and he was investing on his own, and that he had looked into it and was happy with the investment. Mr G believed his funds were not at risk as he could withdraw his capital at any time, and some returns had already been made into his trust wallet. On balance, I think it is unlikely a tailored cryptocurrency warning, either an automated one or one provided via human intervention, would reasonably have uncovered the scam at that point. I therefore do not think Revolut missed an opportunity to meaningfully reveal the scam.

I appreciate Mr G has said he was vulnerable at the time of the scam, and I'm sorry he had found himself in difficult circumstances. I have to consider whether Revolut was aware of this vulnerability and if it should therefore have taken additional steps to accommodate him. However, I have seen no evidence to show Revolut were aware of any vulnerabilities and I therefore don't think they have made an error by not making reasonable adjustments to assist him at that time. I also do not think that Revolut could have taken steps to recover the funds once they were made aware of the scam, and they had already been converted into cryptocurrency and set onto the scammer.

I understand that this will be very disappointing for Mr G, and I recognise that he has been the victim of a cruel and manipulative scam. But I do not consider that it would be fair to hold Revolut responsible for his loss, so I won't be asking it to refund any of that loss to him.

My final decision

I do not uphold Mr G's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 27 August 2025.

Rebecca Norris
Ombudsman