

The complaint

Mr A complains that Revolut Ltd didn't do enough to protect him when he fell victim to a cryptocurrency investment scam.

What happened

Mr A came across a celebrity endorsed cryptocurrency investment online. He completed a contact form and the scam firm responded in March 2023 and helped him set up a Revolut account using screensharing software. He used this account to invest in the firm via genuine cryptocurrency merchants. He discovered he'd been scammed when he paid a large sum for taxes and commission to withdraw funds, but then he was asked to pay another large sum.

Mr A complained to Revolut that he'd been the victim of a scam and asked it to help him recover or reimburse his funds. Revolut didn't agree to refund or him uphold his complaint.

Mr A came to our Service, but our Investigator also didn't uphold his complaint. They accepted Revolut didn't do everything it should have at the time of the payments. But they didn't think that Revolut would've been able to stop Mr A. Mr A disagreed and asked for an Ombudsman to review his complaint.

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 broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

But, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in March 2023 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts

as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

While I think Revolut ought to have recognised that Mr A was at heightened risk of financial harm from fraud when making these payments, I don't think any proportionate intervention by Revolut would have prevented his loss. I'll explain why.

It's clear from the scam chat we hold; the call Mr A had with his bank; and the answers he did give when questioned about the payments by Revolut that Mr A wasn't intending to be honest or share what he was truly doing with his funds. While I accept Revolut ought to have done more to intervene on Mr A's payments and question him – especially later in the scam when new rules were in force, I am not persuaded that this would've unravelled the scam in this case.

I accept that Revolut held more information than Mr A's bank, as it could see large payments being made to cryptocurrency merchants, so it had reason to intervene and question him specifically about this. But I also note that Mr A's bank, despite him assuring it he wasn't investing, did give him a cryptocurrency scam warning. And Mr A maintained he wasn't sending the payment for that reason or involved in something like that. He was clearly persuaded by the scammers that he mustn't disclose what was going on. While he couldn't have used the same story for Revolut, I'm not persuaded he'd have been honest so that it could unravel the scam. Especially as he ignored the warning his bank did share, which was directly relevant to him.

I'm satisfied that had there been better questioning, Mr A would have reverted to the scammer on how to answer and would likely have done so in such a way as to avoid alerting Revolut to what was really happening. So ultimately, he'd have continued sending funds.

Whilst Mr A has undoubtedly been the victim of a cruel scam, I can only uphold his complaint if I'm satisfied Revolut's failings made a material difference to what happened. For the reasons given, I'm not persuaded they did.

My final decision

For the reasons set out above, I don't uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 17 June 2025.

Amy Osborne
Ombudsman