

The complaint

Mr F complains that Revolut Ltd didn't do enough to protect him from the financial harm caused by an investment scam, or to help him recover the money once he'd reported the scam to it.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In May 2024, Mr F saw an advertisement on Google promoting an opportunity to invest in cryptocurrency using a company I'll refer to as "I". The advert featured a celebrity endorsement and claimed that "I" used expert brokers to train beginners on the trading process.

Mr F clicked on a link in the advert and was redirected to I's website which included an 'about us' section, FAQs, and a 24/7 live chat option and full details of the various company directors. He completed an online enquiry form and was contacted by someone I'll refer to as "the scammer" who seemed professional and articulate and explained "I" would provide an online trading account and a broker who would instruct him on what to invest in.

The scammer told him to open an account on I's trading platform and to download AnyDesk, which would allow him to make trades on his behalf and to guide him through the process. He also told him to open accounts with a cryptocurrency exchange I'll refer to as "O", and Revolut.

The broker asked Mr F to first purchase cryptocurrency through a cryptocurrency exchange company and then load the cryptocurrency onto an online wallet. He initially made payments to the scam from Bank M and Bank H and then between 6 June 2024 and 20 June 2024, he made five transfers from Revolut totalling £36,210.

The scammer encouraged Mr F to borrow money and during the scam period he used £8,000 from a credit card, a £10,000 loan in his own name, and a £25,000 loan in his mother's name to fund the investment. He also borrowed £7,000 from his mother. But when he tried to make a withdrawal, the scammer said he'd need to pay liquidity fees, and when he did so, he was chased for further funds.

Mr F complained to Revolut with the assistance of a representative when he realised he'd been scammed. His representative said the account was newly opened and he received large credits into the account before immediately making high value transfers in quick succession to a new payee. They said it should have asked probing questions about what the payments were for and whether there were any third parties involved, and had it done so Mr F wouldn't have gone ahead with the payments.

But Revolut refused to refund any of the money he'd lost. It said it launched the procedure to freeze and retrieve the funds from the fraudulent beneficiary account, but it didn't receive a response. It said Mr F was shown a new beneficiary warning and asked him to provide more

information and that it provided sufficient scam warnings. So, it wasn't at fault for processing the transfers.

Mr F wasn't satisfied and so he complained to this service with the assistance of his representative. He said he thought he'd done due diligence, but Revolut simply asked if he was sure he wanted to make the payments, which he was because he thought the investment was genuine.

Our investigator didn't think the complaint should be upheld. He thought Revolut should have been concerned about the £24,000 payment on 12 June because it was a large payment to a high-risk cryptocurrency merchant from a newly opened account. He thought it should have done more to establish more about the circumstances of the payment but, based on Mr F's responses when he was questioned about the payments, he didn't think it would have made any difference.

Our investigator explained that on 17 May 2024, Mr F told Bank M that he wasn't being assisted by a third party, and on 6 June, he told Bank H he was transferring the funds because he was going on holiday. He also said no one had directed him to make the payment and he'd had the Revolut account for months when in fact he'd opened it the day before.

He further noted that Revolut intervened on 6 June 2024 and Mr F was asked whether anyone had recently contacted him and encouraged him to purchase cryptocurrency, which he denied. It also asked where he planned to send the cryptocurrency once purchased, and he said 'nowhere'.

Our investigator was satisfied that Mr F's responses prevented Revolut, Bank M and Bank H from detecting the scam and in those circumstances, he didn't think an intervention from Revolut on 12 June 2024 would have been any different.

He further commented that Mr F had ignored obvious signs that something wasn't right and had even continued to send funds from the scam when the scammer failed to respond to his query about the fraudulent payments he'd received into Bank M from third-parties. And he thought it was clear from the messages that Mr F trusted the scammer. So, he didn't think Revolut could have done anything to prevent his loss.

Mr F has asked for his complaint to be reviewed by an Ombudsman. His representative has argued that Revolut's intervention wasn't effective because the questions and warnings were generic and basic. They've argued that the payment profile was exceptional, and the onus was on Revolut to identify and prevent the risk of financial harm and dealt with the fact he'd been coached.

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 conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Mr F has been the victim of a cruel scam. I know he feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

I'm satisfied Mr F 'authorised' the payments for the purposes of the of the Payment Services Regulations 2017 ('the Regulations'), in force at the time. So, although he didn't intend the money to go to scammers, under the Regulations, and under the terms and conditions of his bank account, he is presumed liable for the loss in the first instance.

There's no dispute that this was a scam, but although Mr F didn't intend his money to go to scammers, he did authorise the disputed payments. Revolut is expected to process payments and withdrawals that a customer authorises it to make, but where the customer has been the victim of a scam, it may sometimes be fair and reasonable for the bank to reimburse them even though they authorised the payment.

Prevention

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 June 2024 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;
- 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.

I've thought about whether Revolut could have done more to prevent the scam from occurring altogether. Buying cryptocurrency is a legitimate activity and from the evidence I've seen, the payments were made to a genuine cryptocurrency exchange company. However, Revolut ought to fairly and reasonably be alert to fraud and scams and these payments were part of a wider scam, so I need to consider whether it ought to have intervened to warn Mr F when he tried to make the payments. If there are unusual or suspicious payments on an account, I'd expect Revolut to intervene with a view to protecting him from financial harm due to fraud.

Revolut showed Mr F a new payee warning when he made the first payment to the cryptocurrency exchange. It also intervened on 6 June 2024, when he tried to transfer £5,000 to the cryptocurrency exchange. I've considered what happened during the intervention and I'm satisfied it was proportionate to the risk presented by the payment.

During the live chat Mr F was warned that the transaction might be part of a scam and that it was important that he was truthful. Mr F said he was buying cryptocurrency and that he was doing everything by himself. He said he hadn't installed AnyDesk, he had done research, he had withdrawn funds, and he'd been doing it for years. He was then asked to provide a

screenshot to show the funds were going to an account he could access before the payment was processed.

I've considered the questions, and I'm satisfied they were sufficiently probing and that Mr F's responses prevented Revolut from detecting red flags such as the involvement of a broker or the use of AnyDesk which might have uncovered the scam. And in the circumstances, I don't think there was anything further it could reasonably have done to prevent his loss.

I've considered whether there were any further opportunities to prevent the scam, and I agree with our investigator that Revolut should have intervened on 12 June 2024 when Mr F transferred £24,000 to the cryptocurrency exchange. But based on his responses to the questions he was asked by Revolut and his other banks on 17 May 2024 and 6 June 2024 (and a further live chat with Revolut on 13 June 2025, when Mr F said no one was telling him what to say and he didn't plan to make an onwards payment from the cryptocurrency exchange) I think he would have continued to give misleading responses and the scam would remain undetected.

And I don't think he'd have listened to a tailored warning about cryptocurrency investment scams because it's clear that he trusted the scammer to the extent that he was prepared to lie to his banks to ensure the payments were processed, and he started making the payments from Revolut when Metro Bank raised concerns about credits he'd received into that account.

I'm sorry to hear Mr F has lost money and the effect this has had on him. But for the reasons I've explained, I don't think Revolut is to blame for this and so I can't fairly tell it to do anything further to resolve this complaint.

Recovery

I don't think there was a realistic prospect of a successful recovery because Mr F paid an account in his own name and moved the funds onwards from there.

Compensation

The main cause for the upset was the scammer who persuaded Mr F to part with his funds. I haven't found any errors or delays to Revolut's investigation, so I don't think he is entitled to any compensation.

My final decision

For the reasons I've outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 9 October 2025.

Carolyn Bonnell
Ombudsman