

The complaint

Mr S complains Revolut Ltd ("Revolut") didn't do enough to protect him when he fell victim to a cryptocurrency investment scam.

What happened

Mr S says he saw an advert on social media for an investment opportunity in cryptocurrency, supposedly endorsed by a celebrity, and called the number shown. Mr S said he had a 'broker' who I'll refer to as 'the scammer'. He said they communicated by message and phone calls and he found the scammer to be professional. Mr S said he carried out some research before deciding to invest.

Mr S explained he downloaded remote access software at the instruction of the scammer which they used to help him open cryptocurrency wallets. He said he had access to a trading portal which appeared to show real time trades and the funds he deposited, and he was told once he'd put in a certain amount his money would be doubled.

Mr S realised it was a scam when a withdrawal he was expecting to arrive in his account with a high street bank didn't arrive and he hasn't heard from the scammer since.

Below are the payments Mr S made from his Revolut account to legitimate cryptocurrency providers:

	Date	Type of transaction	Payee	Amount
1	7 March 2024	Transfer	Cryptocurrency provider 1	£5
2	8 March 2024	Transfer	Cryptocurrency provider 1	£995
3	13 March 2024	Transfer	Cryptocurrency provider 1	£2,000
4	18 March 2024	Transfer	Cryptocurrency provider 1	£4,998
5	19 March 2024	Transfer	Cryptocurrency provider 1	£6,000
6	25 March 2024	Transfer	Cryptocurrency provider 2	€5,800
7	26 March 2024	Transfer	Cryptocurrency provider 2	€4,400
8	27 March 2024	Transfer	Cryptocurrency provider 2	€4,021
9	5 April 2024	Transfer	Cryptocurrency provider 2	€9,880
10	12 April 2024	Transfer	Cryptocurrency provider 2	€2,330

Mr S complained to Revolut, and his complaint wasn't upheld. Unhappy with Revolut's response, he raised the matter with the Financial Ombudsman Service. One of our Investigators looked into the complaint and didn't uphold it. They thought Revolut's interventions were proportionate and Mr S wasn't accurate during the interventions which led Revolut to believe the investment was legitimate. Our Investigator also said that had Revolut intervened further they don't think it would have made a difference because Mr S was being coached by the scammer on how to respond during Revolut's interventions, and that this would likely have continued such that Revolut would have been unable to uncover the scam.

As an 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.

I'm sorry that Mr S has been the victim of a scam. I realise he's lost a significant sum of money and I don't underestimate the impact this has had on him. And so, I'd like to reassure him that I've read and considered everything he's said in support of his complaint. But I'll focus my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. I know this will come as a disappointment to Mr S but having done so, I won't be upholding his complaint for broadly the same reasons as our Investigator. I'll explain why.

In broad terms, the starting position at law is that banks and other payment service providers are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

Mr S authorised the payments in question here – so even though he was tricked into doing so and didn't intend for his money to end up in the hands of a scammer, he is presumed liable in the first instance.

But as a matter of good industry practice, Revolut should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: as while banks and Electronic Money Institutions should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.

I've thought about whether Revolut acted fairly and reasonably in its dealings with Mr S when he made the payments, or whether it should have done more than it did. In doing so I've considered what Revolut knew about the payments at the time it received Mr S's payment instructions and what action, if any, Revolut took prior to processing the payments.

I don't think Revolut ought to have been concerned about payments 1 to 3. They weren't excessive in value and were made over several days. I appreciate they were going to a known cryptocurrency provider, which carries a heightened risk of fraud, but that isn't enough to suggest Mr S was at risk. Also, Mr S opened the account a few days before making payment 1 and gave 'crypto' as one of the reasons for opening the account. So, when Mr S made payment 1 to a known cryptocurrency provider, he was using the account as he had informed Revolut he intended to. I therefore don't think payments 1 to 3 were suspicious in nature and so it was reasonable for Revolut to process these payments in-line with Mr S's payment instructions.

Payment 4 was for a significantly higher amount than the previous payments, this along with the increase in value of the payments and the destination being identifiably for cryptocurrency, I think shows a known fraud pattern. Payment 4 is the point at which I think Revolut should have been suspicious such that it intervened. However, Revolut told us it first intervened before this. I've explained Revolut's interventions below.

Revolut told us for payments to a new beneficiary it displayed a warning to Mr S asking if he knew and trusted the payee and if he was unsure not to pay them. The warning also said

Revolut may not be able to help him get his money back and gave a reminder that fraudsters can impersonate others. Mr S continued past this warning both times.

Prior to processing payment 2 Revolut intervened, it asked Mr S if he was being guided and went on to ask him a series of questions regarding the circumstances around the payment and asked him to be truthful when answering.

In summary Mr S said he understood a scammer may ask him to hide the reason for the payment, no one was telling him which options to choose, the payment was for cryptocurrency, and he'd invested in it before. Mr S also confirmed he hadn't installed remote access software, had control of the destination account, had checked the firm was registered with the Financial Conduct Authority and he found the opportunity on social media.

He was warned he could be making the payment as part of a cryptocurrency scam. And based on his answers, Mr S was shown tailored warnings regarding cryptocurrency investment scams. These warnings highlighted the typical hallmarks of such scams including the use of fake social media adverts and remote access software both of which were relevant to the circumstances of the scam Mr S was falling victim to. Mr S moved past these warnings and after signing a risk agreement payment 2 was processed in-line with his instruction to do so.

Revolut also intervened when Mr S attempted to make a payment for £1,998 on 12 March 2024, this payment ultimately timed out and so was declined - which is why it isn't listed in the table above. The intervention is still relevant so I will outline what actions were taken.

The intervention for this attempted payment was the same as for payment 2. Mr S was asked the same questions, gave the same answers and was shown the same warnings. Rather than presenting a risk agreement, Revolut discussed the payment, and the circumstances around it, with Mr S via its in-app chat.

In summary Revolut tells Mr S the payment has been held to protect him from a potential scam. He is asked for the purpose of the payment and says he's buying bitcoin on his cryptocurrency account. He's given an impersonation scam warning and then asked if anyone is telling him how to answer the questions, to which he says *'no, nobody is telling me what to do'* and later *'I am not being guided'*. Revolut asks Mr S for the name of the investment company and if it was endorsed. Mr S replies, *'there is no company advising me to do anything, I made my own research and made my own decision to make this payment'*, which we know wasn't the case. He tells Revolut the funds are going to a cryptocurrency provider, which is true, and provides screen shots as evidence. He doesn't mention the trading platform he was subsequently moving the funds to, in fact he says he will be keeping the cryptocurrency in his wallet, which again we know wasn't the case.

Revolut ask for proof that Mr S has been investing in cryptocurrency for a long time and he is clearly frustrated at the continuing questioning from Revolut and refuses. Revolut gives warnings regarding job scams and the payment times out and is declined.

Revolut intervened on payment 4. As before it asked him questions, but he answered slightly differently. He maintained he wasn't being guided and hadn't installed remote access software. This time he said he was transferring funds to another of his accounts, and he hadn't been told his funds weren't safe. The tailored warnings were again based on his answers and were about safe account scams. They included a warning on remote access software and that scammers may ask a customer to ignore warnings. Revolut then discussed the payment with Mr S via the in-app chat.

To summarise, Mr S was told the payment had been paused to protect him from a potential scam and he was asked for the purpose of the payment. He said he was moving funds into his cryptocurrency account and again refused to provide evidence he'd been investing in cryptocurrency for a long time. Revolut explains as a regulated entity and to comply with the terms and conditions of his account, it wants to better understand his activity to ensure his money is safe. Mr S says he's provided evidence previously and he isn't aware of where it says in the terms and conditions that Revolut needs to know about his investments before it will approve a transaction. He then provides some screen shots of his cryptocurrency account and says he can't share proof he's been investing for a long time because they're mutual investments and so private and that he has shared enough to show his investment is safe. He then mentions legal action and making a complaint. Revolut provide a further set of warnings and after Mr S provides a picture of himself with a written declaration that he understands the risks, the payment is unlocked for him to consider further, and he decides to continue to make the payment and it is processed.

Revolut intervenes on payment 7. Again, Mr S is asked questions and maintains he isn't being guided and hasn't installed remote access software. He says the payment is to exchange money which he is doing of his own accord and he hasn't been told to ignore warnings. Revolut displays tailored warnings similar to those he's already seen and discussed the payment via the in-app chat.

Mr S is told it is highly likely the payments are part of a scam and he is given an impersonation scam warning. He's clearly frustrated at having another payment held for further checks. He tells Revolut he wants his account to work normally and when asked if anyone is telling him what to say he maintains he is investing on his own. He's told his account is fully operational and the payment is made.

There are further conversations between Mr S and Revolut via the in-app chat and he is verified during a phone call too. I've not detailed these conversations further as they are similar to the ones already described.

I've thought carefully about whether Revolut's actions were proportionate to the risks these payments presented, and I think they were. Revolut asked a series of questions to narrow down the potential scam Mr S was likely falling victim to. It displayed cryptocurrency investment scam warnings which didn't positively impact Mr S despite them highlighting typical hallmarks of these scams which were relevant to the circumstances of the scam he was falling victim to. It could be argued that Revolut ought to have gone further with its intervention and I'm not persuaded that any further interventions from Revolut would have made a material difference to the outcome. I'll explain why.

Having reviewed the scam communications between Mr S and the scammer I can see he was being heavily coached throughout the scam on how to invest and how to respond to Revolut. Mr S seeks the scammers guidance on what to say and some of his responses to Revolut are directly copied from his messages with the scammer. The scammer provides screen shots which Mr S shares with Revolut and on several occasions the scammer tells Mr S to wait for him before responding.

I've also seen Mr S becomes suspicious the investment is a scam when he tries to withdraw funds and can't, yet he makes further payments. This shows the level at which Mr S is under the scammer's spell. I therefore think, on balance, Mr S would have continued to be heavily coached during any further interventions from Revolut such that it wouldn't have been able to uncover the scam and prevent his losses. Interventions rely on customers being accurate so that a firm can properly assess the situation and advise, or take action, accordingly.

Recovery

I've thought about whether there's anything else Revolut could have done to help Mr S — including if it took the steps it should have once it was aware that the payments were the result of fraud.

Revolut told us it attempted to recover his funds but the beneficiaries informed it no funds remained. And in any event, the transfers were sent to known cryptocurrency exchanges. In that case the money would have been exchanged into cryptocurrency and it seems that Mr S got the cryptocurrency he paid for. I don't think there's anything more Revolut could have done to recover his funds.

I'm truly sorry Mr S was the victim of a cruel scam and has lost this money, but for the reasons I've explained I don't think Revolut is liable for these losses and so I won't be asking it to refund them or pay any compensation.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 July 2025.

Charlotte Mulvihill
Ombudsman