

## **The complaint**

Mr H complains Revolut Ltd won't reimburse him after he fell victim to an investment scam.

Mr H is professionally represented in bringing his complaint, but for ease of reading, I'll refer to all submissions as being made by Mr H directly.

## **What happened**

Mr H has explained that he came across a cryptocurrency investment opportunity on social media and contacted the poster for more information. Mr H was told that by investing in cryptocurrency he could get ten times any money he invested. He initially said that he was given access to a portal where he could monitor his investment and that it showed doctored 'real life' returns on the investment. Unfortunately, unknown to Mr H at the time, the opportunity was in fact a scam.

Mr H initially made payments via at least one other of his banking providers, but then opened an account with Revolut on 15 January 2023, through which he continued making further payments.

In total, between 15 January 2023 and 27 April 2023, Mr H made payments towards the scam from his Revolut account totalling over £65,000.

From reviewing correspondence between Mr H and the fraudsters, it appears that all payments made towards the scam from Mr H's Revolut account were to cover fees for late payments, taxes and so on, in order to receive back funds. However, when Mr H continued to pay these fees and his money wasn't returned to him, he realised he'd fallen victim to a scam and contacted Revolut to make a claim.

Revolut considered Mr H's claim but didn't reimburse him. It said that once it was advised of the scam payments, it attempted chargeback claims but these were unsuccessful.

Mr H remained unhappy and referred his complaint to our service. An investigator considered the complaint and upheld it in part. She thought that by the time Mr H made six payments towards the scam, Revolut ought to have intervened by human intervention, be that by phone or in-app chat, to question the payments Mr H was making and had it done so, it would've been able to stop the scam from occurring. However the investigator also thought Mr H could've done more to protect himself from the scam, so considered it would be fair for liability for losses to be split equally between the two parties.

Mr H accepted the investigator's view but Revolut didn't. It said, to summarise, these were self-to-self transactions, as Mr H was paying a cryptocurrency account in his own name and that the type of transactions wasn't unusual for an e-money account as this was.

As Revolut disagreed with the investigator's view, the complaint has been referred to me for a final decision.

As part of my investigation into Mr H's complaint, I've requested further information on how the scam unfolded, as well as call recordings from Mr H's other banking provider when intervention attempts had taken place.

Based on this additional information, I provided my informal thoughts to Mr H on his complaint - that it appears from the earlier screenshots provided from the scam conversation that Mr H may not have been attempting to invest in cryptocurrency, but believed he was benefitting from sending funds to a dormant account. I also thought that Mr H hadn't been honest in the call his other banking provider had with him, so even if Revolut had intervened on these payments, it wouldn't have stopped the scam from occurring.

Mr H disagreed with my informal findings. He maintained that while this may not have been a 'typical' investment scam, it was still a cryptocurrency scam – whereby he believed he was sending cryptocurrency to a wallet in order to make an investment.

He also considered he had been largely honest in his call with his other banking provider, by explaining that he was buying cryptocurrency, that he had never used the website in question before and that he received the account details from the platform. He therefore considers neither this banking provider, nor Revolut, did enough to prevent this scam from taking place.

As Mr H didn't agree with my informal findings, I will now issue my 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 broad terms, the starting position in law is that a firm 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. However, where the customer made the payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the customer even though they authorised the payment.

In order to determine that Revolut was responsible for reimbursing Mr H, either in part or full, I'd therefore first need to be satisfied that a scam has taken place, whereby Mr H believed he was making a legitimate payment that turned out to be a scam.

In his initial correspondence with our service, Mr H has explained that after seeing a post on social media offering an investment opportunity, he asked about the process and was provided with an email address for a company, and given a gentleman's name to be in contact with who he was told was the head of operations at the business. He explained this individual told him he would send funds to a cryptocurrency account and would receive returns, which he could monitor on an online portal. However, having reviewed the correspondence available from the scam, while not everything is available, I can see that conversations initially were conducted over social media at the beginning of the scam, not by email, with a lady. I can see Mr H responded to a social media post asking for more information and the lady stated the following:

*'It's a bank refund trade done using dormant account which makes you 5 times your deposit.*

*Initial the refund come in as 10 times but you have to send half my way that's why I said 5 times your deposit.'*

In later messages provided, Mr H expressed concerns about the amount of money he had to send and was reassured that *'you won't lose your money' 'your money is 100[%] safe hun'* and *'your refund will be sent to you immediately you make the payment hun'*.

It appears after Mr H made a payment as requested from another account, the fraudster then told him *'I am so silly and mad at myself to do this...the wallet address you used takes a minimum deposit of £2,000 I honestly didn't know before I sent you those details. The thing is we've got several wallet address that we use and they all have a minimum amount that can go into them without showing up on the switch boards and if that happens, the wallet address gets blocked with the money in it and we all lose.'*

There is then a gap in correspondence, followed by email requests for fees for late payments and taxes, which the social media contact was guiding him through. I haven't seen evidence that Mr H was provided with a portal depicting investments being made, or what returns he may have - only emails confirming amounts he will be refunded. I can see that by the end of January 2023, Mr H was being told he was due a refund of £173,500.

As explained above, having asked Mr H about using a dormant account to obtain funds, Mr H has maintained that he believed he was investing in cryptocurrency, that he wasn't financially sophisticated and interpreted the communication through the lens of the original advertisement, which he says was a cryptocurrency trading advert. He says the use of words such as 'returns' 'deposit' and 'trade' alongside a functioning investment platform contributed to the appearance of a legitimate cryptocurrency opportunity.

Unfortunately, Mr H no longer has a copy of the social media post he responded to. However, based on the evidence that is available, I'm still not persuaded that this was presented as a cryptocurrency investment opportunity. There's no reference to investing in this initial conversation, only that Mr H will send funds and receive an 'immediate' refund, as long as the switch boards don't block the payments. I think the reference to refunds being 'immediate' demonstrates this wasn't an investment, as Mr H maintains, as this is against the general principles of how investments work. I also think the fraudster's reference to switch boards blocking wallet addresses infers that what was being done may not have been a legitimate process – and that it required payments to remain undetected.

Unfortunately, there are gaps within the correspondence that Mr H has been able to provide to our service, but I understand his correspondence with the fraudsters later involved a firm that he believed he had to pay tax, late fees and fines to in order to recover his money. However, I've seen no evidence to suggest that these fees aren't all relating back to those same initial payments Mr H made to benefit from payments via dormant accounts. I therefore can't conclude that Mr H made these payments believing they were for legitimate purposes – and I therefore don't think it would be fair or reasonable for Revolut to be required to reimburse him his losses.

In any event, I've also listened to the calls Mr H had with his other banking provider, regarding payments made before Revolut's involvement. During these calls Mr H is asked – and advises - the following:

*Advisor: Can you tell me who you're transferring this to?*

*Mr H: It's a company. I want to invest in crypto, so its to transfer them some money so I can invest in that.*

*Advisor: Have you used this company before?*

*Mr H: Erm... no, I haven't*

Mr H confirms he's used other cryptocurrency platforms before. He also confirms he received the payment details for this transfer via the website.

*Advisor: Our systems are detecting that potentially if you send this money this could result in you getting scammed here. That's why this payment hasn't gone through.*

Mr H confirms again the payment details were only provided via the website. The advisor explains that the payment will be blocked temporarily for 24 hours.

*Advisor: What's the reason for payment?*

*Mr H: I want to invest in some cryptocurrency.*

*Advisor: Is this something you researched yourself, or do you have an advisor advising you what to do?*

*Mr H: No I've done it a little bit before, but I've had some spare money*

*Advisor: Has anybody contacted you on social media saying they can make you money if you just listen to what they say?*

*Mr H: No*

The following day, Mr H called his banking provider back as requested to unblock his card. During the conversation he's asked, and confirms the following:

*Mr H: I don't want the payment to go through now. I'm going to do something else instead... I looked into the company a bit more, I looked at a few reviews. It kind of made me question it a little bit.*

*Advisor: How did you hear about this company, did you find it online, did someone recommend it to you?*

*Mr H: Erm, just by some research really, looking into it.*

*Advisor: And do you have any type of advisor or broker helping you with your investments?*

*Mr H: No it's just I had some money really so thought I'd invest it.*

The advisor then raised concerns that there were logins on Mr H's online banking that were nowhere near his address.

*Advisor: Has anyone been in contact with you recently, either on the phone, via email, via text.*

*Mr H: No*

*Advisor: Has anyone told you that you could make money if you make these payments, or put you under any pressure to make these payments?*

*Mr H: No*

When asked for Mr H's comments on these calls, he has maintained that he was largely honest in what he told his bank – that he hadn't used this firm before, but that he had invested before, which was what this payment was for and that he got the details from the platform. He also said he then went on to use a different cryptocurrency platform, as he advised he would do during the call (although from Mr H's statements I can see that during the scam, he did make two further payments to the cryptocurrency platform that he was advised about above). Mr H said that his bank didn't ask any questions relating to the investment or whether he would be sending funds anywhere after the cryptocurrency platform and therefore this bank also failed to provide sufficient warnings to protect him.

While I don't disagree that the bank could have done more here, I think Mr H failed to provide pertinent information, that would have demonstrated he was falling victim to a scam. First, Mr H was asked how he found this company, whether he had anyone helping him, and

whether anyone had been in contact with him. On all three questions he failed to mention his social media contact, or contact with the company demanding payment for fees. Mr H also said no one was telling him they could make him money, or putting him under pressure to make payments, despite both being the case here.

Therefore, while there are other questions Mr H's bank could have asked, I'm not persuaded by Mr H's answers to these most significant questions that he would have been honest about what he was doing here. I also think that by the time Mr H made payments from his Revolut account, there were mounting red flags about the payments he was making – first the basic premise that Mr H could send funds and immediately be reimbursed ten times that amount, followed by his first payment being incorrectly received and further funds being required, and then a number of fees and taxes being applied that were never previously mentioned and kept being added to. In addition to this, Mr H's banking provider had raised some serious concerns about the cryptocurrency platform Mr H was being told to use, and also concerns that his account may be being accessed elsewhere and yet Mr H proceeded with following the social media contact's guidance. On this basis I think that even if Revolut had intervened, I don't think any proportionate warning would've been heeded by Mr H and he would have proceeded with the payments he was making.

On this basis, while I'm sorry to disappoint Mr H, I don't think it would be fair and reasonable for Revolut to reimburse Mr H his losses, as it haven't seen sufficient evidence to demonstrate that Mr H believed that these payments were for legitimate purposes and in any event, I don't think Revolut could reasonably have identified the scam Mr H was falling victim to and stopped him from making subsequent payments.

### **My final decision**

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 H to accept or reject my decision before 15 September 2025.

Kirsty Upton  
**Ombudsman**