

The complaint

Mr C complains that Revolut Ltd (Revolut) is refusing to refund him the amount he lost as the result of a scam.

Mr C is being represented by a third party. To keep things simple, I will refer to Mr C throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr C was using a social media platform when he came across an advertisement for an investment company I will call "X". Mr C provided his contact information and was later contacted by X to go through the investment opportunity in more detail.

Mr C decided to proceed with the investment and was guided by X using a screensharing service to open an account with Revolut as well as cryptocurrency exchanges.

Mr C was provided with access to a professional looking trading platform, and it appeared his investment was doing well.

Having made what appeared to be a substantial return on his investment X told Mr C he needed to make payments in relation to capital gains tax. Mr C says he made the payments as requested but X then stopped communicating with him and he realised he had fallen victim to a scam.

Mr C has disputed the following payments:

Payment	Date	Payee	Payment Method	Amount
1	01 March 2023	Binance	Card	£30.00
	01 March 2023	Binance	Credit	£9.82cr
2	02 March 2023	Binance	Card	£500.00
3	02 March 2023	Binance	Card	£1,000.00
4	06 March 2023	Binance	Card	£4,900.00
5	07 March 2023	Binance	Card	£3,500.00
6	16 March 2023	Binance	Card	£5,000.00
7	16 March 2023	Kracken Exchange	Card	£100.00
8	17 March 2023	Binance	Card	£4,900.00
9	21 March 2023	Payward Ltd	Transfer	£200.00
10	21 March 2023	Payward Ltd	Transfer	£10,000.00
11	24 March 2023	Payward Ltd	Transfer	£10,000.00
12	27 March 2023	Payward Ltd	Transfer	£10,000.00
13	27 March 2023	Payward Ltd	Transfer	£9,500.00
14	28 March 2023	Payward Ltd	Transfer	£19,500.00
15	04 April 2023	Payward Ltd	Transfer	£19,500.00

	04 April 2023	Payward Ltd	Credit	£493.05cr
	05 April 2023	Skrill Ltd	Credit	£229.20cr
17	29 May 2023	Payward Ltd	Transfer	£19,999.00
18	31 May 2023	Payward Ltd	Transfer	£19,998.00
19	01 June 2023	Payward Ltd	Transfer	£19,997.00
	05 June 2023	Payward Ltd	Credit	£963.42cr
	04 July 2023	Payward Ltd	Credit	£983.93cr
	02 August 2023	Payward Ltd	Credit	£1,304.92cr
	03 August 2023	Payward Ltd	Credit	£1,772.39cr
	05 September 2023	Payward Ltd	Credit	£1,266.67cr
20	18 September 2023	Payward Ltd	Transfer	£19,990.00
21	19 September 2023	Payward Ltd	Transfer	£19,999.00
	05 October 2023	Payward Ltd	Credit	£1,383.76cr
22	06 October 2023	Payward Ltd	Transfer	£4,632.00
	06 November 2023	Payward Ltd	Credit	£1,590.89cr
	12 December 2023	Payward Ltd	Credit	£996.44cr
23	30 January 2024	Payward Ltd	Transfer	£20,000.00
	30 January 2024	Payward Ltd	Transfer refund	£20,000.00cr
24	30 January 2024	Payward Ltd	Transfer	£19,999.00
	30 January 2024	Payward Ltd	Transfer refund	£19,999.00cr
	31 January 2024	Payward Ltd	Credit	£1,828.04cr
25	02 February 2024	Payward Ltd	Transfer	£5.00
26	02 February 2024	Payward Ltd	Transfer	£19,995.00
27	05 February 2024	Payward Ltd	Transfer	£19,998.00
	06 February 2024	Payward Ltd	Credit	£2,257.07cr
28	08 February 2024	Payward Ltd	Transfer	£10,000.00
29	05 March 2024	Payward Ltd	Transfer	£40,000.00
32	06 March 2024	Payward Ltd	Transfer	£28,000.00
31	13 March 2024	Payward Ltd	Transfer	£20,000.00
32	14 March 2024	Payward Ltd	Transfer	£40,000.00
33	15 March 2024	Payward Ltd	Transfer	£10,000.00
34	27 March 2024	Payward Ltd	Transfer	£20,000.00
35	28 March 2024	Payward Ltd	Transfer	£24,500.00

Our Investigator considered Mr C's complaint and didn't think it should be upheld. Mr C disagreed, so this complaint has been passed to me to decide.

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.

It has not been disputed that Mr C has fallen victim to a cruel scam. The evidence provided by both Mr C and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr C lost due to the scam.

Recovering the payments Mr C made

Mr C made payments in relation to the scam via his debit card and transfer. When payments are made by card the only option Revolut has to recover the payments is to request a chargeback.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes

between merchants and cardholders. The card scheme operator ultimately helps settle disputes that can't be resolved between the merchant and the cardholder.

Such arbitration is subject to the rules of the scheme, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid and potentially succeed. Time limits also apply.

Mr C was dealing with X, which was the business that instigated the scam. But Mr C didn't make the debit card payments to X directly, he paid separate cryptocurrency exchanges. This is important because Revolut would only have been able to process chargeback claims against the merchants he paid, not another party (such as X).

The service provided by the cryptocurrency exchanges would have been to convert or facilitate conversion of Mr C's payments into cryptocurrency. Therefore, the exchanges provided the service that was requested; that being the purchase of the cryptocurrency. The fact that the cryptocurrency was later transferred elsewhere – to the scammer – doesn't give rise to a valid chargeback claim against the merchants Mr C paid.

When payments are made by transfer Revolut has limited options available to it to seek recovery. As Mr C made the payments to legitimate cryptocurrency exchanges in exchange for cryptocurrency and it took further steps for those funds to end up in the hands of X any recovery attempt of the transfers would have no prospect of success.

With the above in mind, I don't think Revolut had any reasonable options available to it to recover the payments Mr C has disputed.

Should Revolut have reasonably prevented the payments Mr C made?

It has been accepted that Mr C authorised the payments that were made from his account with Revolut, albeit on X's instruction. So, the starting point here is that Mr C is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have been aware of the scam and intervened when Mr C made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

The first payments Mr C made in relation to the scam were not of such a significant value that I would have expected them to give Revolut cause for concern that Mr C might have been at risk of financial harm.

Payment 4 was for a more significant value of £4,900 to a known cryptocurrency exchange. Revolut would have been aware of the increased risks associated with payments to cryptocurrency exchanges and I think it should have intervened.

I think an appropriate intervention, when Mr C made payment 4 would have been for Revolut to have provided Mr C with a tailored written warning relevant to cryptocurrency investment scams that included the key elements of what a cryptocurrency investment scam could look like.

When Mr C made payment 10 the value of the payment was much higher (£10,000) and again was being made to a cryptocurrency exchange. Considering the risk associated with this payment I think Revolut should have intervened again.

I think an appropriate intervention for payment 10 would have been for Revolut to have provided a human intervention, for example by referring Mr C to its in-app chat to discuss the payment further before allowing it to proceed.

Although I do think Revolut should have intervened as explained above I don't think it would have made a difference if it did. I will explain why.

Revolut did provide warnings that were relevant to cryptocurrency investment scams several times when Mr C attempted to make payments in relation to the scam.

The screens Mr C would have seen at the time warned Mr C to "Beware of social media promotions. Fraudsters use social media to promote fake investment opportunities ..." and "Don't give anyone remote access. Scammers may ask you to install software to view your screen..." another screen also stated "This could be a scam. STOP. Crypto scams promise high returns in short periods of time and might even have professional looking online platforms."

I think the warnings provided to Mr C should have caused him to have concerns. Mr C had found the investment via social media and although he had not downloaded a screen sharing application Mr C was sharing his screen with X using online software. It's also clear from the information Mr C has provided, that he appeared to be making unrealistically high returns.

Despite receiving these warnings Mr C continued to make the payments.

Revolut also presented Mr C with multiple questions when making several of the payments in relation to the scam. Mr C confirmed he had found the investment opportunity thorough friends and family; he had not been asked to download any screen sharing applications and he was not being guided on how to answer Revolut's questions.

In addition to the above Mr C took part in in-app chats several times with Revolut. Mr C confirmed he had carried out extensive research into the recipient of the payments he was making for his own safety. Mr C also confirmed that it was his son that convinced him to use Revolut.

Revolut warned Mr C on more than one occasion:

"Make sure any research you do is your own – fraudsters may appear knowledgeable, create convincing-looking posts on social media, or share articles about investing. If someone says you need to send money as a tax or fee to access your funds, you are being scammed."

Mr C tells us that he mostly answered Revolut's questions accurately, and Revolut should have done more. He says that if it had, the scam would have been uncovered. But it's clear from the evidence provided that even when warnings were provided to Mr C that were relevant to the circumstances of the scam, he was willing to ignore them and give incorrect information to have the payments processed.

Giving incorrect information when making the payments would have made it extremely difficult for Revolut to uncover the scam that was taking place. I don't have enough to say that had Revolut intervened further than it did, that Mr C would have provided any more accurate answers, or taken notice of any warnings that may have been provided to him. So, I don't think Revolut missed an opportunity to prevent the scam, and it is not responsible for Mr C's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 23 July 2025.

Terry Woodham
Ombudsman