

## **The complaint**

The estate of the late Mr H complains that Revolut Ltd failed to stop Mr H from being the victim of a scam.

The estate is being represented by a claims management company, but for ease of reading I'll refer to the estate and late Mr H in my decision.

## **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.

Towards the end of July 2023, the late Mr H was browsing online when he came across an investment advert supported by a well-known celebrity. The late Mr H wanted to increase his income, so he clicked on the advert and registered his interest. He was then contacted by a representative of a merchant who explained to him a crypto investment. The late Mr H, who had recently been diagnosed with a serious medical condition, decided to go ahead with the opportunity.

He sent £2,500 to his Revolut account on 14 August 2023 and then again on 17 August 2023. These funds were then exchanged into crypto between 15 August and 18 August 2023. He was then told by the merchant that he needed to transfer the crypto to an external crypto wallet which is what he did. However, after he was repeatedly asked for withdrawal fees, he realised he had been scammed. So, he made a claim to Revolut. But Revolut decided it hadn't done anything wrong so it wouldn't offer a refund here. So, the complaint was brought to the Financial Ombudsman.

Our Investigator said that the transfer of crypto itself wasn't a regulated activity. But the Financial Ombudsman could consider the other regulated activities that occurred on the account in the build up to the crypto withdrawals – the deposit of funds into the account followed by the exchange of those funds into crypto. Having considered those activities our Investigator didn't think they were sufficiently suspicious or unusual for Revolut to have intervened here. And because the withdrawal of crypto wasn't a regulated activity, he couldn't fairly ask Revolut to do anything more to recover the lost funds.

The estate disagreed and asked for an Ombudsman's review. It said crypto is regarded as high-risk, so Revolut should've considered the account activity unusual and its failure to provide adequate warnings led to the late Mr H's losses here. It added that the late Mr H had recently been diagnosed with a condition that impaired his decision-making abilities, so he was vulnerable.

## **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 the late Mr H has been the victim of a cruel scam. I know the estate feels strongly about this complaint and this will come as a disappointment to them, so I'll explain why.

I've read and considered the whole file. But I'll concentrate 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've firstly considered whether Revolut should've done more to stop the exchanges of GBP into crypto. It is common ground that these exchanges and the crypto withdrawals here were authorised by the late Mr H. I accept that these were authorised even though the late Mr H was the victim of a scam. So, although it wasn't his intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of his account, he is presumed liable for the loss in the first instance.

So, I need to decide if the activity on the late Mr H's account was sufficiently unusual for Revolut to have stopped some of the exchanges and taken further action.

Here the account was newly opened account so there was very little activity for Revolut to compare this to. Having looked at what happened here, I don't think the overall activity would've appeared sufficiently unusual enough for Revolut to have stepped in and asked why the late Mr H was making the exchanges. It's not uncommon for consumers to make large payments and exchanges from time to time and I wouldn't expect an Electronic Money Institution (EMI) such as Revolut to have stopped the activity and asked further questions. I accept that the use of crypto can be considered high-risk. But the activity that Revolut offers its customers to deposit and then exchange money into crypto can also be for genuine day-to-day transactions. As a result, I don't think the overall activity on the account was sufficiently unusual for Revolut to have stepped in and asked the late Mr H why he was exchanging the funds.

I've considered the serious medical condition that the late Mr H had been diagnosed at the time this scam took place. But Revolut wasn't aware of this. So, I can't reasonably ask if to take the condition into account here.

As a result, I don't think I can reasonably hold Revolut responsible for the late Mr H's loss here.

### *Recovery*

As the investigator has already explained the withdrawal of the crypto that was purchased isn't a regulated activity. And the sending or crypto isn't a payment that can be reversed. So, there were no further means for Revolut to try and recover the crypto withdrawals.

I appreciate this will come as a disappointment to the late Mr H's estate, and I'm sorry to hear that he has been the victim of a cruel scam. However, I'm not going to ask Revolut to do anything further here.

### **My final decision**

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr H to accept or reject my decision before 11 July 2025.

Mark Dobson  
**Ombudsman**