

## **The complaint**

Mrs M complains that Revolut Ltd hasn't reimbursed the money she's lost to a scam.

## **What happened**

Mrs M has fallen victim to a cryptocurrency investment scam. In October and November 2023, she made numerous card payments – ranging in value from £50 to £2,500 – from her Revolut account to her own cryptocurrency wallets. She then moved the money on to a company I'll refer to as 'I' for investment purposes. Some of the money Mrs M invested with I was her own, and some was invested on behalf of others.

Mrs M has explained that her father introduced her to I, and he was introduced to I by his accountant. I had widespread media attention and online coverage, and it was seemingly endorsed by reputable cryptocurrency advisors. I guaranteed investors a 2.5% rate of return at entry level, but the rate of return increased if investors deposited significant sums and/or onboarded other investors.

I had a website and a software application which could be downloaded. Before investing, Mrs M spoke to a professional and knowledgeable representative of I, and she participated in meetings and events run by I. She's said that the events had hundreds of attendees and the guest speakers were successful investors that had made a lot of money with I. Mrs M also carried out her own due diligence to protect herself – searching the internet, reading articles, looking at live examples of I's platform, and reviewing documentation. Her initial investments were small. She was given access to a sophisticated and professional portal which showed fake real-time returns, tracked real market movements, and showed her deposits and trades.

Mrs M realised she'd been scammed when she was unable to withdraw from her investment and she was asked to pay fees. She raised a fraud claim with Revolut – stating that the activity on her account was out of character and, had Revolut intervened, it would have been able to expose the scam and prevent her financial loss.

Revolut declined to reimburse Mrs M. So, she referred a complaint to this Service which one of our investigators considered but didn't uphold. Mrs M asked for an ombudsman's final decision, so the complaint has now 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's not in dispute that Mrs M authorised the payments in question. 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 and the terms and conditions of the customer's account. But that's not the end of the story.

Taking into account relevant law, regulator's 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 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 (amongst 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 fraudulent practices are evolving (including, for example, the common use of multi-stage fraud by scammers, and 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 recognise that many customers who wish to purchase cryptocurrency for legitimate purposes will be likely to use the services of an EMI, and that a significant majority of cryptocurrency purchases will be legitimate and not related to any kind of fraud. However, it's fair to say that Revolut ought to recognise there's an increased risk of fraud when its services are used to purchase cryptocurrency. I do not suggest that Revolut ought to apply significant friction to every payment its customers make to cryptocurrency providers. I do not think it ought to impose a level of friction which is disproportionate to the risk payments present. But it should have appropriate systems for making checks and delivering warnings in some circumstances.

Looking at Mrs M's account activity before, and during, the relevant period, I think it's reasonable to expect Revolut to have intervened at some point, and taken proportionate measures to counter the risk posed to Mrs M. I've thought carefully about what proportionate measures would be in light of the risk presented, and I think that Revolut ought to have provided an automated warning/s – specifically about the risk of cryptocurrency scams. It would be difficult for such a warning to cover off every permutation and variation of cryptocurrency scams without significantly losing impact. But I would expect such a warning to have addressed the key risks and features of the most common cryptocurrency scams – cryptocurrency investment scams – highlighting and referring to, for example, the investment opportunity being advertised on social media and promoted by a celebrity or public figure; an 'account manager', 'broker' or 'trader' acting on an investor's behalf; access to a fake trading platform; the use of remote access software; and a small initial deposit which quickly increases in value.

I've gone on to consider whether a proportionate intervention/s from Revolut is likely to have made a difference – halting the scam and preventing Mrs M's financial loss. But I don't think it would. I'll explain why.

The scam Mrs M fell victim to did carry some of the typical features of cryptocurrency investment scams, in that she was given access to a fake trading portal. But Mrs M wouldn't have known the portal she was given access to was fake. And most of the other typical features Revolut would likely have warned Mrs M about in an automated warning were not present. She didn't come across I via social media, I wasn't promoted by a celebrity or a public figure, she doesn't appear to have had a specific person involved with I working on her behalf and remote access software wasn't used. Mrs M has said that:

- She was introduced to I by her father, via his accountant.
- I had widespread media attention and online coverage, and it was seemingly endorsed by reputable cryptocurrency advisors.
- She was aware I had a software application which could be downloaded from a reputable digital marketplace.
- She participated in meetings and events run by I – there were hundreds of attendees and the guest speakers were successful investors that had made a lot of money with I.
- She carried out her own due diligence.

Overall, I don't think an automated warning of the type I have described would've resonated with Mrs M because I don't think the scam she fell victim to carried a majority of the typical features of common cryptocurrency investment scams, and there were lots of reassuring elements in her individual investment journey with I. So, I don't think it's likely Mrs M would've thought such a warning was applicable in her circumstances. The advice Revolut could've given Mrs M to help her protect herself from financial harm in a warning – such as checking the Financial Conduct Authority register – would not have caused her concern at the relevant time either.

I don't consider it would be fair or reasonable to require Revolut to reimburse a financial loss it could not have prevented with a proportionate warning/s.

I've thought about whether Revolut could've done more to try and recover Mrs M's funds but, due to the nature of the disputed payments, I'm not persuaded that it could.

### **My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 11 February 2026.

Kyley Hanson  
**Ombudsman**