

The complaint

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

Mr D has previously been represented by a third party. To keep things simple, I will refer to Mr D 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 D has told us that he received an unexpected email claiming he was owed £47,000. Mr D ignored the email assuming it was likely a scam.

A few months later Mr D received an unsolicited call from an individual claiming he had £8,000 in an account. The caller referenced past trading activities and communicated via video calls which Mr D says added to their credibility.

Mr D was required to download a well-known messaging application and told that they could recover his Bitcoin for a fee of £800. Mr D agreed and paid the requested fee.

Mr D was then given several reasons why he needed to make further payments to recover his funds including to increase his wallet's limit to allow for a larger refund amount and that a payment had gone to the wrong wallet.

Mr D tells us that he was required to download screensharing software as part of the process.

Mr D says he was then contacted by someone claiming to be from Blockchain who directed funds from his cryptocurrency wallet to their own where the funds were lost leaving Mr D with nothing.

What I can and can't look into in relation to this complaint

Our service can't consider all complaints that are referred to us. The rules under which we operate are set out in the Financial Conduct Authority's Handbook and are collectively known as the DISP rules. We can only consider complaints that fall within our jurisdiction, in line with these rules.

Particularly relevant to Mr D's complaint is DISP 2.2 which states:

"DISP 2.2: Which complaints can be dealt with under the Financial Ombudsman Service?

2.2.1 The scope of the Financial Ombudsman Service's two jurisdictions depends on:

(1) the type of activity to which the complaint relates..."

Those activities are then listed in DISP 2.3 (although I will not list all of them here). We can only consider complaints that relate to an act or omission by a financial business in carrying out one or more of the activities listed in DISP 2.3.

Cryptocurrency isn't electronic money or fiat currency according to the Financial Conduct Authority. Instead, it classifies cryptocurrency, and similar cryptocurrency-assets, as 'exchange tokens'. The operation of cryptocurrency services isn't currently regulated by the financial regulator in the UK.

There are no activities listed in DISP 2.3 which would cover the activity this part of Mr D's complaint relates to – namely, withdrawing the cryptocurrency and sending it on to the scammer. And so, I don't think his complaint in relation to the cryptocurrency payments relates to an activity covered by us.

I am mindful that Mr D deposited fiat currency to his Revolut account and then exchanged this into the cryptocurrency which was withdrawn and ultimately lost to the scam. But the sending of the cryptocurrency was provided separately from the provision of Mr D's main e-money account. In the circumstances, I don't consider Revolut's provision of sending cryptocurrency services to be sufficiently closely linked to its provision of payment services to Mr D (through the provision of his e-money account) that it should be deemed ancillary to this. So, I'm satisfied that this service is unable to investigate the withdrawal of cryptocurrency here.

What I can look at, is whether Revolut should have intervened when the deposits into Mr D's account were made and when the funds were converted into cryptocurrency. I can also look at payments Mr D made directly to a cryptocurrency exchange.

Mr D initially deposited funds into his Revolut account before making the following payments and exchanges into cryptocurrency:

| <u>Payment</u> | <u>Date</u> | <u>Payee</u> | <u>Payment Method</u> | <u>Amount</u> |
|----------------|----------------|----------------------|-----------------------|---------------|
| 1 | 7 June 2024 | Moonpay | Transfer | £800 |
| 2 | 11 June 2024 | Moonpay | Transfer | £2,000 |
| 3 | 12 June 2024 | GBP Exchanged to BTC | | £50 |
| 4 | 12 June 2024 | GBP Exchanged to BTC | | £500 |
| 5 | 13 June 2024 | GBP Exchanged to BTC | | £500 |
| 6 | 14 June 2024 | GBP Exchanged to BTC | | £790.12 |
| | 31 June 2024 | Moonpay | Credit | £74.82cr |
| 7 | 19 August 2024 | Paybis | Debit Card | £1,500 |
| 8 | 19 August 2024 | Moonpay | Transfer | £2,322 |
| 9 | 19 August 2024 | Paybis | Debit Card | £3,000 |
| 10 | 19 August 2024 | Paybis | Debit Card | £572.92 |

Our Investigator considered Mr D's complaint and didn't think it should be upheld. Mr D didn't agree, 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 D has fallen victim to a cruel scam. The evidence provided by both Mr D and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr D lost due to the scam.

Recovering the payments Mr D made

The payments Mr D has disputed were made by debit card and transfer to legitimate well-known cryptocurrency exchanges. As there is no dispute that cryptocurrency was provided to Mr D in exchange for his payments and it took further steps for those funds to end up in the hands of the scammer any attempt to recover the payments would have no chance of success.

When Mr D exchanged GBP to cryptocurrency within his Revolut account he remained in control of the funds so recovery would not be required. As I have explained above, I cannot consider the withdrawals of these funds once they were exchanged.

Should Revolut have reasonably prevented the payments Mr D made?

It has been accepted that Mr D authorised the payments that were made from his account with Revolut, albeit on the scammer's instruction. So, the starting point here is that Mr D 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 D made the payments. And if it had intervened, would it have been able to prevent the scam taking place. I will look at each type of payment in turn.

Deposits

In general, I wouldn't expect Revolut to have concerns about deposits being made into a customer's account and interventions to take place Unless they had money-laundering concerns which it didn't have on this occasion. So, I don't think it was unreasonable that Revolut didn't intervene when payments were made into Mr D's account.

Exchanges to cryptocurrency within the Revolut platform and external payments made by transfer and debit card

When Mr D made payment 1 Revolut did intervene and Mr D was shown a series of screens.

Mr D was asked, "Do you know and trust this payee? If you're unsure, don't pay them, as we may not be able to get your money back..."

Mr D was then provided with the following warning "Something doesn't look right – your transfer has been identified by our system as a potential scam. To continue we need your help to understand what's happening."

Mr D was warned that it was important he answered Revolut's questions honestly and confirmed that he understood.

Mr D then confirmed that he was making the payment himself as part of an investment in cryptocurrency. This prompted another series of screens to be presented to Mr D.

Mr D confirmed:

- He was not asked to install software
- He discovered the investment via online or social media ads

- He had invested in crypto before
- He had checked the company was FCA registered

Warning screens were then displayed to Mr D based on the incorrect responses he had provided.

Mr D was then directed to Revolut's in-app chat service. Mr D confirmed he had "done trading before so wanted to buy some crypto". Mr D also confirmed he was making payments into his own account and provided screenshots proving that's where the funds were going to.

It's also clear from the chat transcript provided by Mr D of his conversation with the scammer that he was taking part in video calls with the scammer and providing screenshots of the transaction process to the scammer while making the payment. When the payment had been processed, he also said "Just spoken to them...this is my only £800 it leaves me with nothing Revolut are telling me it's a scam". Based on the available evidence I think it's likely the scammer provided at least some guidance to Mr D on how to have the payment processed.

From the evidence provided by Revolut it appears that Mr D was provided with multiple other warnings when making the rest of the payments in relation to the scam. Mr D has told us that he doesn't remember receiving any further warnings and if he had received warnings when he was making larger payments he wouldn't have made them.

I have thought about what Mr D has told us but even if I were to accept that he received no further warnings (which in my experience is unlikely) and that Revolut should have intervened further than it did, I don't think this would have made a difference.

Had Revolut intervened again later in the scam when Mr D made larger payments, I think it is likely he would have answered Revolut's questions in a similar way to that he did the first payment. Mr D was clearly convinced by the scammer that the payments he was making were genuine and was willing to give false information to have them processed.

Providing false information would and did make it extremely difficult for Revolut to uncover the scam that was taking place. I don't have enough to say that Mr D would have provided any more honest answers had Revolut intervened further than it did. So, I don't think Revolut missed an opportunity to prevent the scam and it is not responsible for Mr D'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 D to accept or reject my decision before 24 October 2025.

Terry Woodham
Ombudsman