

The complaint

Mr J complains that Revolut Ltd won't refund money he lost when he fell victim to an investment scam.

Mr J is represented by solicitors in this complaint.

What happened

The details of this complaint are well known to both parties, so I won't repeat everything again here. Instead, I'll provide a brief summary and focus on giving my reasons for my decision.

Mr J says he fell victim to an investment scam in 2023 after he was contacted out of the blue on an instant messaging platform by an individual who claimed to work for a company "C". After being persuaded to invest, to make deposits he made several card payments to cryptocurrency providers in April-May 2023. There were also two transfers to personal individuals. Mr J states unfortunately the scammer had cloned a genuine company. Revolut refused to refund the money Mr J lost as it said the transactions were authorised by him. It also said there were no chargeback rights for the card payments, and it provided warnings for the bank transfers but Mr J chose to proceed.

Prior to issuing their view, our investigator asked to see statements of Mr J's wallet with the cryptocurrency providers showing the cryptocurrency being withdrawn. They also asked to see the chat correspondence between Mr J and the scammer. At the time, his representative said Mr J was unable to provide the wallet statements. Also, only a few screenshots of the chat correspondence with the scammer were provided. The investigator probed again, and while some more screenshots were provided – transaction confirmation from the cryptocurrency providers – these didn't show clear evidence of funds being lost to the scam.

The investigator upheld the complaint. They thought that Revolut ought to have intervened on the basis of their being unusual activity on Mr J's account from the fourth payment he made - £2,000 on 26 April 2023. Had it done so, the investigator felt that any further loss would have been prevented. But they also found that Mr J had contributed to his loss. So, the investigator recommended Revolut to refund 50% of the payments Mr J made to the scam from the fourth payment onwards along with interest. Revolut disagreed, so the matter was escalated to me to determine.

I wrote to Mr J's representative informally and explained that our service had previously requested evidence that Mr J lost the funds to the scam. I explained that while I'd seen the emails from one of the cryptocurrency providers to Mr J, they weren't satisfactory evidence that the deposits he made to his wallet were lost to the scam. I noted that some of the emails mentioned the sale of cryptocurrency, something I wouldn't expect to see in a scam situation as usually when cryptocurrency is purchased the scammer tricks the victim into sending it to wallets in their control. I also pointed out to Mr J's representative that the emails from the cryptocurrency provider didn't tally with the number of transactions being disputed from the Revolut account.

In relation to Mr J's correspondence with the scammer, I noted that we've only been provided a few screenshots of his chat messages. But the messages are undated so there's no way of knowing when they were exchanged and what stage of the scam Mr J says he fell victim to they relate to.

I explained to Mr J's representative that without clear evidence that the cryptocurrency he purchased was sent on from his wallet, and full chat correspondence with the scammer, I wouldn't look to uphold the complaint and make any redress award. I set a deadline for the requested information to be provided and explained it was unlikely I'd agree to any extension requests unless there were exceptional circumstances.

Mr J's representative responded on the day of the deadline and said the information had been requested but Mr J hadn't supplied it. The representative said an attempt was made to make Mr J aware of the deadline, but his English is poor. An extension was requested. I replied to the representative and confirmed that I wouldn't be agreeing to an extension as I didn't consider the reason given for why the deadline couldn't be met as exceptional. At the time of issuing this decision, there hasn't been any further correspondence from Mr J or his representative.

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.

I've considered longstanding regulatory expectations and requirements, and what I consider to be good industry practice for firms when processing payments. In line with this, Revolut ought to have been on the look-out for the possibility of fraud and made additional checks in some circumstances.

Mr J says he's been the victim of a scam and that Revolut ought to have intervened on the payments he's now disputing. I've considered the evidence available, but I can't fairly conclude that Mr J has lost the disputed funds as a result of a scam.

Although I can see the card transactions and transfers from Mr J's Revolut account, there's nothing to show the funds (fiat or cryptocurrency) leaving his possession from his cryptocurrency wallet and being paid to the scammer.

It's also unclear why the full chat correspondence with the scammer hasn't been provided to our service despite multiple requests. What has been provided is undated, so there's no way to link it with Mr J's payments.

As no further evidence has been provided, I don't consider it would be fair or reasonable to ask Revolut to refund the money Mr J says he's lost as I've not seen enough to persuade me that the payments Mr J is now disputing were made due to being the victim of a scam.

My final decision

For the reasons given, 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 J to accept or reject my decision before 28 April 2025.

Gagandeep Singh
Ombudsman