

## **The complaint**

Mrs K, via a representative, has complained that Revolut Ltd (“Revolut”) failed to refund the money she lost as part of an investment scam.

## **What happened**

The details of this complaint are well known to both parties, so I will not repeat everything again here. Instead, I will focus on giving the reasons for my decision.

In summary though, Mrs K was contacted about a previous crypto investment that she had made. She was told that her previous investment had increased in value from around \$4,000 to over £300,000 but that she would have to pay fees to withdraw this amount.

Mrs K then made around 9 payments to B. These were made direct crypto transfers and totalled around £60,000. The payments made from Mrs K’s Revolut account took place in July and August 2024.

Mrs K realised she had been scammed when she was unable to access the amount that she was promised. Mrs K asked Revolut to refund these payments, as she believes Revolut should have done more to prevent her from being scammed in the first place. Revolut did not agree with this.

One of our investigators looked into this matter and he thought that any intervention from Revolut would not have stopped the scam. He said this because Mrs K did not give accurate answers to Revolut and her other account provider when questioned about the payments. He therefore did not uphold this complaint.

Mrs K did not agree with this and therefore her complaint has been passed to me to issue a decision.

I note that initially Revolut objected to us looking at this complaint as it did not believe that the transfer of crypto was within our jurisdiction. The investigator explained why we could look the deposits of Fiat currency into the account and the exchange from currency into crypto. As neither party objected to this, I will not be commenting on it.

## **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 agree with the conclusions reached by the investigator for the following reasons.

In deciding what’s fair and reasonable, I am required to take into account relevant law and regulations, regulators’ rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, on what I consider is more likely to have (or would have) happened, in light of the available evidence and the wider circumstances.

In broad terms, the starting position is that Revolut is expected to process payments and withdrawals that a customer authorises it to make. This should be in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

However, taking into account relevant law, regulatory 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 (among 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;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- 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 – (as in practice Revolut sometimes does); and
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including 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 think that Revolut should have intervened when Mrs K made her second exchange into crypto and an appropriate warning would have been a tailored written warning based on the answers provided by Mrs K. I note that Revolut did intervene and provided a warning about the payments that Mrs K was making and said that Mrs K might be being scammed. I think that it could be argued that the warning should have been more specific to the type of scam that Mrs K was falling for. But I think that this was caused by the answers that Mrs K provided when she was asked questions about the payments.

Mrs K seems to have been aware that, if she gave accurate answers as to what she was doing, her payments might be stopped. This is demonstrated by her providing misleading answers as to what the payments related to. Some examples of this are that she told Revolut that she had not installed remote access software and that she had been introduced to the investment by a family member. This meant that Revolut was not able to give a relevant warning about what Mrs K was doing.

I think that Revolut should have intervened again later in the scam when Mrs K made a payment of around £25,000 and a proportionate intervention would have been for Revolut to ask questions about this payment for example, for example, in its online chat. But given that Mrs K misled her other current account provider when questioned about the payments I don't think that this would have uncovered or prevented the scam as I think that she would have misled Revolut as well.

Ultimately Revolut was only required to take proportionate steps to try and protect Mrs K from financial harm. I'm not persuaded she would've shared anything concerning with Revolut had it questioned her more about what she was doing. So overall I think that Revolut should have intervened more than it did. But I do not think that this would have likely stopped or uncovered the scam.

I've also thought about whether Revolut could have done more to recover the funds after Mrs K reported the fraud. But given that these were crypto transfers there is no way that I know to recover the funds.

I appreciate this will likely come as a disappointment to Mrs K, and I'm sorry to hear she has been the victim of a cruel scam. However, whilst I have a great deal of sympathy for the situation that Mrs K found herself in, I'm not persuaded that Revolut can fairly or reasonably be held liable for her loss in these circumstances.

### **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 Mrs K to accept or reject my decision before 20 October 2025.

Charlie Newton  
**Ombudsman**