

The complaint

Mrs W is unhappy that Revolut Ltd won't reimburse money she lost to a scam.

Mrs W is represented by a third-party claims firm, but I will refer to Mrs W here.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Mrs W has explained that between May and June 2023 she transferred payments into her Revolut account from another account in her name (which I will refer to as "N") to buy cryptocurrency which she ultimately lost to an investment scam.

Mrs W said she found the investment opportunity online which she said was endorsed by a well-known public figure. She contacted the investment company (which I will refer to as "B"). She advised she carried out research into B and found that the online reviews were positive. She was also required to complete identification checks which gave her confidence in the investment. She was also given access to a platform.

Mrs W believed this was a legitimate investment opportunity, so she made payments to third party individuals in the peer-to-peer market for the purchase of cryptocurrency. The cryptocurrency was then sent to the scammers. She also made trades using a cryptocurrency platform.

Mrs W advised that B's platform showed she was generating profits, so she continued making payments. She has explained that at one point her account balance with B reached over £200,000. When she attempted to withdraw some of these funds she was advised she needed to pay various fees and taxes but despite making these payments she couldn't withdraw her funds. It was at this point that she realised she had been scammed. Mrs W has advised she lost £39,000 and €52,588.86 as a result of the scam.

Mrs W raised a complaint with Revolut. It didn't think it had done anything wrong by allowing the payments to go through. So, Mrs W brought her complaint to our service.

Our Investigator looked into the complaint but didn't uphold it. She explained that Revolut had identified a scam risk with some of the payments. However, Mrs W had provided inaccurate information to Revolut when questioned about the payments. She also explained that N had also intervened on several payments and Mrs W didn't provide accurate responses when it questioned her. So, in the circumstances, she didn't feel that further intervention from Revolut would have stopped Mrs W from sending the funds.

Mrs W didn't agree with the outcome. In summary she said that the payments made from her account were highly unusual. She thought that the scam would have been revealed if Revolut had probed her further. Mrs W also thought Revolut should have been aware of the well-known risks associated with cryptocurrency investments.

Mrs W's complaint has now been passed to me for review and a decision.

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 come to the same outcome as the Investigator for largely the same reasons. I'll explain why.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I have not mentioned, it isn't because I have ignored it. I haven't. I'm satisfied that I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

In broad terms, the starting position in law is that a firm is expected to process payments and withdrawals that a customer authorises it to make. It isn't disputed that Mrs W knowingly made the payments from her account – albeit under the direction of the scammer – and so, I'm satisfied she authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of her account, Revolut is expected to process Mrs W's payments, and she is presumed liable for the loss in the first instance.

But in some situations, it might be appropriate for Revolut to take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual, or looks out of character or suspicious. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. This is to help protect customers from the possibility of financial harm from fraud. But I'd expect any intervention to be proportionate to the circumstances of the payment.

Revolut recognised that some of the payments Mrs W was making were high risk and provided her with advice and warnings to try and protect her from being scammed. It provided warnings for every new payee that was set up highlighting some of the risks with such payments.

Revolut also highlighted to Mrs W that the payments had been flagged by its systems as a potential scam and that to continue it needed to ask her some questions. As part of this it carried out further checks, undertaking a fraud risk assessment before some of her payments were made. It first did this on 3 May 2023 when Mrs W was attempting to make a payment for €5,704.81. I agree this was the right point to intervene on the account. Although this was a new account a pattern was starting to emerge which could indicate that Mrs W was falling victim to a scam.

Revolut asked Mrs W to confirm the purpose of some of her payments from a list of options. But Mrs W selected that the payments were for 'goods and services', rather than selecting the option of 'investment' or 'cryptocurrency' which would seem to have been more appropriate to her circumstances. Revolut also discussed one of the payments in its in-app chat.

Revolut highlighted that this could be a scam and asked if she'd been told to ignore the warnings. Revolut asked Mrs W whether she'd been asked to create a Revolut account after learning about an investment opportunity advertised on social media. Mrs W explained that wasn't the case. It asked if she'd been able to withdraw from the platform and where she had heard about the company she was dealing with. It highlighted that scammers often trick people into investing using fake platforms and websites. Mrs W highlighted that her friend

had introduced her to B, but that no one had persuaded her to invest. Revolut also highlighted other red flags with investments, including being offered high returns on investments, not being able to access your funds or withdraw profits, being told to open cryptocurrency accounts and transferring funds to those accounts. The scam warnings presented by Revolut ought to have resonated with her given her circumstances – thereby prompting her to question the legitimacy of what she was being asked to do. This is because Mrs W has since confirmed she was coached and told to ignore warnings. She's also confirmed that she couldn't take out her funds without paying additional fees and was encouraged to open the account with Revolut.

If Mrs W had been truthful in her responses, Revolut would have had a better understanding of the payments – thereby allowing it to provide her with more tailored scam warnings related to the risks of investments or cryptocurrency payments. It also could have helped Revolut identify whether it ought to have taken additional steps to try and protect Mrs W from a scam. Unfortunately, due to Mrs W not providing accurate responses, Revolut were prevented from knowing the true risks behind the payments. And so, I don't think Revolut acted unreasonably by providing the scam warnings it did.

I'm aware Mrs W has said Revolut ought to have been aware that victims may be coached, and that cryptocurrency scams are multilayered. While I agree that Revolut should be mindful of these factors, I cannot reasonably ignore the responses Mrs W provided when questioned about her payments. I also wouldn't expect a firm to interrogate a customer when assessing whether they had been coached.

Mrs W has argued that Revolut should have probed further on some of the payments and that this would have revealed the scam. I have thought about whether any further probing would have made a difference. When considering this, I've kept in mind that firms process high volumes of transactions each day. And that there is a balance for Revolut to find between allowing customers to be able to use their accounts and questioning transactions to confirm they're legitimate.

Whilst I agree that Revolut could have intervened again, I don't think further intervention would have made a difference. Mrs W was being heavily coached by the scammers. The scam chats confirm she reached out to the scammer when Revolut intervened on some payments and that she answered these questions in line with the scammer's advice. It's clear that Mrs W trusted what she was being told by the scammers about the investment and that she was willing to provide inaccurate information in order to get the payments processed. I think Mrs W was sadly very much under the spell of the scammers. It's likely this was due to the profits the scammers had promised her. But I can't ignore the fact that she was knowingly giving false information, despite the warnings being applicable to her circumstances. So, on balance, I don't have enough to say that if Revolut had intervened at any other stage and asked Mrs W further questions, that she would have provided the true purpose behind the payments.

N was also concerned that Mrs W may be falling for a scam. It had multiple calls with her where it discussed the payments she was making. Mrs W provided false information numerous times during these calls. In the calls she confirmed she wasn't being coached by anyone, she advised that payments she was making weren't for cryptocurrency and that she hadn't been told to lie to N. It seems Mrs W was determined to continue making payments despite some of the reservations she had. So much so that she repeatedly ignored the red flags she was experiencing.

So, I don't think there is anything further I would have expected Revolut to do before processing the payments.

I understand that Mrs W was experiencing some difficult circumstances at the time she fell victim to the scam and has advised the scammers exploited her vulnerabilities. I'm sorry to learn about this. But from what she's said, I think there were enough concerns with the investment which Mrs W should have taken into account before sending her funds. And I can't say that Revolut was or should have been aware that she was vulnerable or made any special adjustments for her at the time the transactions were made.

I've considered whether Revolut could have done anything to recover Mrs W's payments once the scam was uncovered. Revolut have advised it attempted recovery of Mrs W's funds. But some of the payments were made to legitimately purchase cryptocurrency as part of peer-to-peer payments. As Mrs W would have moved the cryptocurrency on to third-party wallets, recovery would likely have failed. All other payments were converted into cryptocurrency and paid to the scammer. Therefore, I don't think there was any realistic possibility of recovery on these payments.

My final decision

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 25 December 2025.

Aleya Khanom
Ombudsman