

## **The complaint**

Mr S complains Revolut Ltd ('Revolut') won't reimburse over £44,000 that he lost when he fell victim to an cryptocurrency investment scam.

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview and focus on giving my reasons for my decision.

The complaint concerns seven disputed transactions. They are made up of two debit card payments and five faster payments. Around early June 2023, Mr S was cold called about a cryptocurrency investment opportunity where he could make good returns. Given his personal circumstances at the time, the opportunity was attractive and Mr S agreed to go ahead. Mr S was guided to open an account with Revolut as he was advised this was the easiest way to facilitate payments. He was also directed to download other apps which included screen sharing apps. After Mr S began making payments towards the alleged investment he was led to believe he'd earned profits. But in order to release those profits, he needed to pay various fees and taxes. In order to assist covering those fees and taxes, Mr S was directed to take out a £20,000 loan to fund them. He was then tricked into taking out a further £20,000 loan but understood this would also be returned and the profits earned on the investment would be sufficient to cover the loans leaving him in significant profit. After making the payments, Mr S was unable to access the profit he thought he'd made and lost all contact. At that point he came to the awful realisation he had fallen victim to a scam.

Our investigator didn't uphold the complaint. He considered Revolut ought to have intervened by the fourth disputed transaction of £10,000. But he wasn't persuaded this would've prevented Mr S's loss. That was because an earlier intervention did take place with another bank where he was untruthful about the nature of his activity. And although Mr S misled the other bank, he was still provided warnings relevant to the type of scam he was falling victim to. Our investigator wasn't satisfied any intervention would have had a reasonable chance of success, as he was convinced Mr S would most likely have misled Revolut too and proceeded with making payments towards the scam.

Mr S's representatives asked for the matter to be referred to a decision. It said Revolut failed to intervene and it ought to have requested evidence of the transactions' legitimacy, such as documentation supporting the investment claims or proof of contractual arrangements. It also said Revolut could have refused to process the transactions thereby preventing the financial harm Mr S eventually suffered. Although it was accepted Mr S misled another bank, Revolut was still responsible for ensuring that the transactions were legitimate and carried out with due diligence. Had it done so, it could have prevented the loss and protected Mr S from financial harm caused by the scam.

I would also like to point out that during the course of our investigator's consideration of Mr S' complaint, Mr S advised that his family offered funds to settle the loan debts and that at least one of the two financial institutions had accepted a settlement for less than the funds he had actually borrowed. And he was also looking for the second financial institution to accept the same. It's my understanding Mr S has also raised two separate complaints with

those financial institutions, but he is only currently pursuing a complaint with this service against Revolut.

### **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 isn't in dispute that Mr S authorised the seven disputed transactions in question. He is therefore presumed liable for the loss in the first instance. However, Revolut is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I'm in agreement with our investigator that considering the characteristics of the fourth disputed transaction of £10,000, Revolut ought to have engaged directly with Mr S through its in-app chat function. I would note the payment purpose selected by Mr S during this payment – *Transfer to a 'Safe Account'*, was also reason a direct human intervention was warranted. But I'm not persuaded this would have prevented his loss.

I say this because prior to this disputed transaction, Mr S was required to engage with another bank. This was in relation to the funds he was sending to Revolut and what the purpose of this payment was for. Whilst I'm not considering the effectiveness of this interaction, it remains Mr S was asked relevant questions about his activity. And in responding, he was untruthful. Having reviewed the limited evidence of his chat interactions with the scammer, I can't see Mr S was being coached. That's not to say any coaching related interactions didn't happen, I just haven't seen them. And it's possible Mr S held those discussions verbally with the scammer, as those chats show they communicated through telephone calls.

It's not clear why Mr S decided to mislead his other bank. But it's evident from his interactions with them, Mr S had concerns about revealing what he was truly doing with his funds. And in order to avoid revealing what he was truly doing, Mr S was able to provide them with a compelling and detailed response about home improvements.

I can only ask Revolut to reimburse Mr S if I find that any wrongdoing on its part caused his loss. And where something didn't happen that should have, I'm required to make this decision based on the balance of probabilities; that is, what I find is more likely than not to have happened if things had gone as they should. I'm not persuaded Mr S would've misled another bank but then decided to be honest with Revolut. And I can't ignore the other bank still provided Mr S warnings relevant to the circumstances he faced and the scam he was actually falling victim to. These warnings ought to have resonated with him and raised questions about the interactions he was having with the scammer. Yet he still proceeded to make the payments towards the scam from his Revolut account. So, on balance, it seems most likely Mr S would've behaved in the same way and also misled Revolut had it questioned him further.

Unlike the first two initial debit card payments (which were of significantly lesser values), the faster payments were not identifiably going to a crypto merchant. And Revolut was only required to take proportionate steps to try to protect Mr S from financial harm, and I'm not persuaded he would've shared anything concerning with Revolut had it questioned him further about what he was doing, for the reasons I've set out above.

Whilst Mr S has undoubtedly been the victim of a cruel scam, I can only uphold his complaint if I'm satisfied failings by Revolut made a material difference to what happened. For the reasons given above, I'm not persuaded they did.

I've also thought about what Revolut did once informed by Mr S's representatives that payments had been made as the result of a scam. I'm satisfied Revolut did what it could to recover Mr S's money. One of the receiving banks confirmed no funds remained and that the funds were withdrawn shortly after being deposited. But it was able to recover £0.53 from other accounts paid which were duly credited to Mr S's account with Revolut. No other funds remained to be returned. In regards to the debit card payments, Mr S first raised a chargeback claim in June 2024 – a year after the disputed transactions. And I'm not persuaded there were any prospects of Revolut successfully recovering the disputed transactions made by debit card even if he had raised these sooner, given the money was used to purchase crypto-currency from legitimate providers.

### **My final decision**

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 S to accept or reject my decision before 28 July 2025.

Mark O'Connor  
**Ombudsman**