

The complaint

Mr B is unhappy that Revolut Ltd won't reimburse money he lost to a scam.

Mr B is represented by a third-party firm, but I will refer to Mr B here.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Mr B has said that between June and July 2024 he was tricked into sending funds in connection to what he thought was an investment opportunity, but it turned out to be a scam.

Mr B has said he was contacted by scammers from a company I will refer to as "M". The scammers told him they could help him recover the funds he lost in a previous investment and that he could recover £275,000 if he invested with them. Mr B has said the information supplied by them was very convincing which included live graphs and data. He also advises they used remote access software to share information and spoke to him on a daily basis. Mr B used his Revolut account to send money to various cryptocurrency exchanges, where the funds were converted into cryptocurrency before being sent on to the scammer. He also used his Revolut account to exchange funds ('fiat' currency) into cryptocurrency, which he then withdrew and sent on to the scammer. Mr B received some credits as part of the scam. Mr B has told us he lost £72,833 as a result of the scam.

Mr B realised he had been the victim of a scam when he attempted to withdraw his funds, and he wasn't able to. He's told us the scammer became unresponsive and the trading website they were using was no longer accessible.

Mr B complained to Revolut. He didn't think that Revolut did enough to protect him from financial harm at the time he made the transactions. Revolut didn't uphold his complaint. The complaint was subsequently referred to our service.

In its file submission to us, Revolut said our service didn't have jurisdiction to consider the cryptocurrency withdrawals Mr B made in relation to the scam. Our Investigator explained that although our service couldn't consider cryptocurrency withdrawals in isolation, the process of making those withdrawals involved earlier steps, such as Revolut accepting Mr B's fiat money into the account and exchanging it into cryptocurrency. The Investigator concluded that our service could consider the merits of Mr B's complaint, at least in respect of the exchange of fiat money into cryptocurrency.

However, our Investigator didn't uphold the complaint. She explained that Revolut had provided warnings to Mr B before releasing some of the payments. She thought the actions taken by it were proportionate to the risks it identified. She also explained that Mr B's bank, (who I will refer to as "Bank B") had called him numerous times to discuss the payments he was transferring to his Revolut account. In these calls Mr B advised he wasn't being assisted and that he was transferring his funds to protect his money. So, she felt that further intervention by Revolut wouldn't have revealed that Mr B was falling victim to a scam.

Mr B didn't agree with the outcome. In summary, he said that the calls he had with Revolut should have highlighted he was falling victim to a scam and that he wasn't entirely aware of what he was being asked to do, so Revolut should have probed him further. He believes the scam would have been uncovered if it had done this.

The complaint has been passed to me for review and a final decision.

Preliminary matters

Revolut hasn't responded to the Investigator in relation to matters concerning our jurisdiction. But for completeness, I agree that I can consider the complaint in line with what the Investigator has explained.

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'm very aware that I've summarised this complaint and the relevant submissions briefly, in much 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. As a consequence, if there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I consider is the right outcome. Our rules allow me to do this, reflecting the informal nature of our service as a free alternative to the courts.

As such, the purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by the parties to this complaint, and reach what I think is an independent, fair and reasonable decision, based on what I find to be the facts of the case. For the avoidance of doubt, in doing so, I have carefully reviewed everything submitted by Mr B.

I think it's important to note here that although Mr B has provided some testimony about how he became involved in the scam, we've not been provided with any other evidence to show that he was caught up in this scam, such as evidence of his communications with the scammer relating to the investment. And although we can see the withdrawals on his Revolut account, they don't show that the withdrawals were related to the scam or that the funds were subsequently sent to the scammer. Generally, I would expect to see some more evidence to link the disputed payments to a scam, before considering if Revolut should have done anything else to intervene in the payments. There were also several credits into Mr B's account from various cryptocurrency providers during the period of the scam. So, it's not clear if Mr B has suffered all the losses he's described.

However, I don't think this makes a difference to the outcome of Mr B's complaint because, like the Investigator, I don't think further intervention from Revolut would have made a difference to Mr B's decision to invest. So, I'm going to proceed on the basis that Mr B did suffer a loss to the scam he's described.

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. Mr B has raised some points on not authorising the transactions. But after reviewing his calls with Revolut and Bank B, along with the multiple messages he had with Revolut's chat service, I am satisfied that Mr B was aware of the cryptocurrency transactions being made on the account and therefore he consented to them being made.

Taking into account relevant law, regulators 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 in June and July 2024 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;
- 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 Revolut were right to be suspicious of some of the transactions on Mr B's account, given the value of each transaction and what it knew about the destination of them. And I agree with the Investigator that the payment of £7,145 on 26 June 2024 exchanged to ETH should have raised concerns. In those circumstances I would have expected Revolut to take additional steps, in an attempt to narrow down a possible scam risk.

Revolut confirmed it intervened on several payments and currency withdrawals. It recognised they were high-risk transactions and provided Mr B with advice and warnings to try and protect him from being scammed. It provided warnings through its app and also discussed the transactions with Mr B through its in-app chat service and by phone call. Overall, I think Revolut asked Mr B appropriate questions to ascertain the purpose of the transactions and to establish whether there was a risk of a scam.

I have included some of the points made in the interventions below:

- Mr B confirmed he would answer questions truthfully.
- He confirmed he was not being told what to say and that he was completing the transactions himself. He also confirmed he wasn't being pressured to make the transactions and that he wasn't being guided.
- He confirmed he was not asked to install remote access software. Revolut explained that a company should not be telling you to install such software.
- Mr B said that he discovered the investment through a friend or family member. He mentions his nephew in one call and explained that he told him about the investment and that he was also investing.
- Mr B advised the money was going to a cryptocurrency account he controlled. He provided screen shots of his cryptocurrency account.
- He confirmed that he had researched M on the Financial Conduct Authority website.
- Mr B also advised he had invested cryptocurrency previously and that he had got all his funds back. He advised that he had lost interest in investing about a year ago but decided to give it another go more recently. He confirmed that he had experience in cryptocurrency investments.
- Revolut asked why he was using the account and he advised that his granddaughter was using Revolut too and that he wanted to move his funds into the account following a divorce.
- He confirmed he had control over the wallet the money was being sent to.
- He also provided screen shots of the wallet address.

A number of these warnings were repeated to Mr B, such as the concerns around giving remote access to someone, questions around whether he was being assisted by a financial advisor and the research he had done on M. Revolut also provided a number of warnings tailored to the answers Mr B provided which gave the option for him to cancel any transactions. This included highlighting this could be an investment scam, beware of social media promotions, don't give anyone remote access, do your research and don't be rushed. Revolut also made it clear to Mr B that his money might be at risk if he made the transfers. These warnings highlighted several key features which applied to Mr B's transactions, so the information should have resonated with him and prompted him to question the legitimacy of what he was being asked to do.

Mr B transferred his funds from Bank B, and I can see that it also provided several warnings around the transfers he was making in calls it had with him. It also asked him to visit a branch with regards to one payment. In several of the calls Mr B confirmed that he wasn't told to lie about the real reasons for the payment or told what to say if questioned about the payments.

I understand there were points in some of the calls where Mr B did not understand what he was being asked to do. This was partly down to Mr B not being very familiar with technology. If he had answered differently to some of the questions asked, then it would have given Revolut an opportunity to identify whether it ought to have taken additional steps to try and protect Mr B from the scam. But overall having thought about the interventions across the interactions Revolut had with Mr B I don't think it would have known Mr B was answering the questions incorrectly, or that there were other concerns with the transactions which it needed to probe further on, so I don't think it acted unreasonably by providing the scam warnings it did.

I also think the actions Revolut took were proportionate to the risk it identified at the time. It's clear from what Mr B has told us that he was under the spell of the scammers. So even if Revolut had probed him further, I don't think it would have made a difference here. He's confirmed he was being guided by the scammers and based on the evidence above it's clear

that Mr B gave inaccurate information in order to get the transfers processed by both Revolut and Bank B. He's since confirmed that he did install remote access software to allow the scammers to help him with the investment and that he did not have control over the wallets the funds were being sent to. It's clear that Mr B trusted what he was being told by the scammers, likely due to the large profits they had promised and the rapport they had built with him. So I don't think he would have revealed much about the circumstances around the transactions, if probed further.

I think it's clear that Mr B was willing to take direction from the scammers when making the transactions, and I can't ignore the fact that he was knowingly giving false information, despite the warnings being applicable to his circumstances.

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

I also can't see any reason which would suggest compensation is warranted in the circumstances of the complaint as I have not found anything to suggest Revolut have acted incorrectly.

Could Revolut have done anything to recover Mr B's money?

Revolut attempted recovery of Mr B's transactions. However, they were converted into cryptocurrency and paid to the scammer. Therefore, I don't think there was any realistic possibility of recovery.

I realise this means Mr B is out of pocket, and I'm really sorry he's lost money. However, for the reasons I've explained, I don't think I can reasonably tell Revolut to reimburse him.

My final decision

My final decision is that I'm not upholding Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 17 October 2025.

Aleya Khanom
Ombudsman