

THE COMPLAINT

Mr O complains Revolut Ltd will not reimburse him money he says he lost when he fell victim to a scam.

Mr O is represented by CEL Solicitors ('CEL') in this matter. However, where appropriate, I will refer to Mr O solely in this decision for ease of reading.

WHAT HAPPENED

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview.

Mr O says he has fallen victim to a cryptocurrency related investment scam. He says a scammer deceived him into making payments to what he thought was a legitimate investment with World Trade School/World Trade Center. The card payments in question were all made to Binance:

Payment Number	Date	Time	Amount
1	11 August 2022	08:27	£3,400
2	11 August 2022	08:36	£4,500

Mr O disputed the above with Revolut. When Revolut refused to reimburse Mr O, he raised a complaint, which he also referred to this Service.

One of our investigators considered the complaint and did not uphold it. As Mr O did not accept the investigator's findings, this matter has been passed to me to make a decision.

WHAT I HAVE 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 find that the investigator at first instance was right to reach the conclusion they did. This is for reasons I set out in this decision.

I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

Further, under section 225 of the Financial Services and Markets Act 2000, I am required to

resolve complaints quickly and with minimum formality.

The regulations which apply in this matter are the Payment Services Regulations 2017 (“the PSRs”).

Below are the key points of my findings:

- Based on the evidence before me, I am satisfied that Mr O authorised the payment transactions concerned. I note that CEL did not challenge this point when responding to the investigator’s findings.
- I do not find that Payment 1 in isolation should have flagged on Revolut’s systems. But I am satisfied that Payment 2, taken together with Payment 1, was unusual. I do acknowledge that Mr O’s Revolut account was newly opened and had little activity to measure against. However, I have borne in mind the fact that Payment 1 and 2 were made on the same day, in a relatively short period and, when taken together, totalled £7,900, which is a relatively high amount. Therefore, I find that Payment 2 should have triggered Revolut’s fraud detection systems.
- Given the above aggravating features, my view is that a proportionate intervention to the risk identified would have been for Revolut to have provided Mr O with an automated written warning that broadly covered scam risks. This is something that Revolut failed to do.
- However, I am not persuaded that if such a warning had been given it would have made any difference in the circumstances. I have not seen anything to persuade me that Mr O would have heeded such a warning.
- CEL’s submissions on Mr O’s behalf suggest that he was very much under the spell of the scammer at the time. From what I can tell, the first occasion Mr O started to have significant concerns about the ‘investment’ was when he wanted to withdraw his funds.
- I am not persuaded that the automated general scams warning I have mentioned above would have broken the spell the scammer had woven.
- I am also not persuaded this is a case where Revolut, contrary to Mr O’s instructions, should have refused to put his payment transactions through.

Recovery of funds

I have considered whether Revolut acted appropriately to try to recover Mr O’s funds once the fraud was reported.

Card payments (chargeback)

Chargeback is an entirely voluntary scheme, which means firms are under no formal obligation to raise a chargeback claim. The relevant scheme operator can arbitrate on a dispute between a merchant and customer if it cannot be resolved between them. However, such an arbitration is subject to the rules of the relevant scheme – so there are limited grounds on which a chargeback can succeed.

The service of purchasing cryptocurrency/exchanging funds into cryptocurrency – is not covered under the chargeback scheme concerned in this matter. This is because the exchanges in question provided their services as intended. This also applies to any

payment processor involved, as they would have carried out their services as intended when transferring funds.

For these reasons, I find that any chargeback claim in this matter had little chance of success under the relevant chargeback scheme. It follows that I would not have expected Revolut to have raised one on behalf of Mr O.

Vulnerabilities

CEL say that Mr O was vulnerable at the time of the scam because:

- Mr O was approaching retirement so had a “sense of urgency and financial pressure”, so the scammers “... exploited this vulnerability by presenting an investment opportunity that promised attractive returns, which seemed like a viable solution to enhance their financial security.”
- Mr O has a limited understanding of computers and digital technology – “The complainants unfamiliarity with these platforms and processes prevented them from recognising the red flags and potential risks associated with the scam.”
- The emotional impact on Mr O due to the constant pressure to invest from the scammer.

I have not seen anything to suggest Revolut knew or ought to have known about the above issues at the time. Therefore, I do not find that Revolut should have dealt with Mr O’s payments any differently in this regard.

Conclusion

Taking all the above points together, I do not find that Revolut has done anything wrong in the circumstances of this complaint. Therefore, I will not be directing Revolut to do anything further.

In my judgment, this is a fair and reasonable outcome in the circumstances of this complaint.

MY FINAL DECISION

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr O to accept or reject my decision before 25 August 2025.

Tony Massiah
Ombudsman