

## **The complaint**

Mr W complains that Revolut Ltd ('Revolut') won't refund the money he lost to a recovery scam.

He's represented in this complaint. To keep things simple, I'll refer to Mr W throughout this decision.

## **What happened**

In summary, between July 2023 and January 2024, Mr W fell victim to an 'investment' scam (I'll call 'X'). When he couldn't access his money and 'profits' (which he'd been led to believe stood at about £200,000), he searched online and found a company ('K') that claimed to offer cryptocurrency 'recovery' services. He registered his interest and was contacted by its 'representatives'.

As part of the process, he was asked to provide K with details of his losses to the original scam and to open an account with a company ('M'). He was led to believe the account with M would act as a buffer between his accounts and those of X. He was asked to pay some 'fees' initially for the 'service'. In a matter of days, he was told his funds had been recovered (seemingly by an ethical 'hacker') and were being held with M. As things continued, he was asked to pay a growing number of fees, including 'legal fees', to access his funds.

He realised he'd connected with another scammer when he didn't receive any funds, was asked to pay more fees, and the contact then stopped. He says that, by that time, more than £41,000 was exchanged into cryptocurrency using his Revolut account. The cryptocurrency was then withdrawn and sent to the scam between January and June 2024.

A complaint was made to Revolut in September 2024 and later referred to our Service. Our Investigator considered it and didn't uphold it. He noted that Revolut should probably have intervened. But he wasn't persuaded an intervention would have made a difference given the way Mr W responded when his personal bank ('H') intervened and the warnings he received.

As the matter couldn't be resolved informally, it's been passed to me to decide.

## **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 reached the same conclusions as the Investigator. These are the key reasons for my decision.

The operation of cryptocurrency services isn't currently regulated by UK's financial regulator. And a complaint relating to the cryptocurrency withdrawals isn't one we have the power to consider. But Mr W deposited fiat into his Revolut account and then exchanged this into the cryptocurrency which was then withdrawn (and lost to the scam). I think it's arguable our Service can look at these earlier steps in relation to this complaint – whether Revolut should

have intervened on the deposits and on the fiat exchanges into cryptocurrency.

Like the Investigator, I think there was probably enough for Revolut to have stepped in on concerns about some of Mr W's fiat exchanges into cryptocurrency, considering some of the amounts involved and the increase in scam trends (involving cryptocurrency) over the years. But I'm not going to go into detail about when and how it should have intervened, because I'm not persuaded timely and proportionate interventions would have prevented his losses.

In reaching this view, I note Mr W says that if Revolut had intervened he'd have answered honestly to questions asked. Here, I think it's important for me to say that each time Revolut did intervene (including a 'live' intervention) on his earlier payments to the 'investment' scam, it was misled about what was happening. I realise this complaint relates to a different scam but I think this background is relevant in the sense that Mr W appears to have been prepared to provide misleading information (or follow the scammer's guidance) if he believed (or was led to believe) it was necessary for his payments to go through.

I note Mr W also says he had no reason to hide the nature of his transactions to what he now thought was a genuine recovery process. At the same time, I can't ignore the evidence to show that that's what happened when H intervened in February 2024 on his payment to a crypto-platform. I'm satisfied Mr W was given the opportunity to disclose relevant information about his circumstances during that interaction. But, at no point, was any information shared to indicate he'd fallen victim to an earlier scam or that new third-parties were now asking him to pay more in 'fees/taxes' to recover funds from a wallet he didn't control.

Instead, H was given the impression Mr W was experienced in dealing in cryptocurrency, and that he *"had good returns"*. I'm not persuaded this was something that came across because H's level of questioning wasn't good enough. Mr W was no longer paying to 'invest'. Saying he 'had good returns' was misleading. In submissions, across all the complaints he's asked us to consider, he's told us he had no crypto-experience before the original 'investment' scam with X had started about eight months earlier.

For me, Mr W's actions demonstrate a pattern. He continued to provide misleading answers even when he says there was no reason for him to do so in relation to this 'recovery' scam. I've not seen enough to persuade me he'd have acted very differently if Revolut (instead of H) had intervened. And while Revolut may have had different information on which to assess a possible scam risk, I'm not persuaded Mr W couldn't have given an explanation to alleviate concerns (as he did with H), bearing in mind many cryptocurrency purchases aren't related to any type of scam and are a legitimate activity for many consumers who wish to take part.

I'm also not persuaded by Mr W's suggestion that relevant warnings would have prevented his losses. For example, despite the answers H was given, it did warn about the scam risks of sending fund to wallets he couldn't access. This didn't stop funds being sent to a wallet he didn't control and neither did Revolut's warning on the crypto-withdrawals (when creating new wallets) that: *"If unsure, refrain from sending your crypto as we cannot help recover it. Beware of impersonators, and we never request crypto transfers"*. In the same intervention, H warned Mr W specifically that being asked to pay extortionate fees was likely a scam. This is what was happening during the 'recovery' scam – but payments continued into June 2024.

The emails exchanged with the scammer also show that Mr W had himself recognised the many red flags both in terms of what he was being asked to do and the legitimacy of the 'companies' he was dealing with. For example in April 2024, he tells K *"you put me in touch with a fake bank [M]. All I can find is residential addresses linked..."* and *"I've had enough now of this...I feel like I've been scammed for a 3<sup>rd</sup> time"*. In May 2024, he tells K *"they [M] are doing everything the scammers were doing. Just pay this and we'll send it to you. Then need to pay something else"*. In May 2024, he tells K *"you clearly have an agreement with*

*them [M] to scam me". Again, in May 2024 he tells K "I have the wallet address I just don't have control. Anytime I've tried to remove some funds nothing happens unless I contact [M] to do it. Another scammer trick. Show you the wallet but not have control". Also in May 2024, he tells M he'd been advised by Citizen Advice to report M and K to action fraud and the police. Again, I don't overlook that payments continued into June 2024.*

In my view, it's significant Mr W moved past some relevant warnings and his own concerns about what he was being told to pay. As explained above, I'm also not convinced the evidence supports the view that he'd have been forthcoming in response to proportionate interventions. So, while I'm mindful Mr W was a victim in all this and I can understand why he might have wanted to do what he could to try and recover his money, I think it's unlikely, on balance, an appropriate intervention/warning would have made a difference to his losses. As a matter of causation, I can't fairly and reasonably find that Revolut should refund them.

### **My final decision**

For the reasons I've given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 4 November 2025.

Thomas Cardia  
**Ombudsman**