

## The complaint

Mr M complains Revolut Ltd (“Revolut”) won’t refund the money he lost to a cryptocurrency investment scam.

## What happened

I issued a provisional decision in June 2025 to explain why I thought Mr M’s complaint shouldn’t be upheld - and I said I’d consider anything else anyone wanted to give me before proceeding with my final decision.

This is an extract from my provisional decision:

*“The detailed background to this complaint was set out by our investigator and is well known to both parties. So, I’ll only provide a brief overview of some of the key events here:*

*In June 2023, Mr M fell victim to a cryptocurrency investment scam.*

*Mr M says he saw a celebrity endorsing trading in cryptocurrency. Interested, he contacted the company the celebrity mentioned for more details.*

*Mr M was then put in touch with a “broker” who instructed him to set up an account on what we now know to be a fake investment portal. Mr M was also instructed to set up an account with Revolut and an account with a genuine cryptocurrency wallet – “B”. Mr M was also instructed to download third-party viewing software.*

*Over the next month or so, Mr M made the following payments from his Revolut account. The funds were then used to buy cryptocurrency which was then sent on to the scammer. I have detailed the scam payments in the table below. I’ve also included in the table any other relevant points of note. The successful payments to the scammer are highlighted in bold:*

<b>Date and time</b>	<b>Payee</b>	<b>Amount</b>	<b>Payment method</b>	<b>Status / notes</b>
17/06/2023 12:03	Mr M’s account at B	£1,999	Card	Declined by fraud protection system
17/06/2023 12:07	Mr M’s account at B	£2,000	Card	<b>Completed</b>  Later refunded via chargeback
20/06/2023	Mr M’s account at B	£2,000	Card	<b>Completed</b> Later refunded via chargeback

20/06/2023	Mr M's account at B	£5,000	Card	Declined by fraud protection system. Mr M then transfers the funds to his wife instead
23/06/2023				Mr M informs Revolut he has been the victim of a scam.
05/07/2023 10:26	Cryptocurrency provider	£5,000	Bank transfer	<b>Completed</b>  <b>Mr M tells Revolut he is transferring the funds to a "safe account".</b>  <b>Mr M is continuing to discuss being the victim of a scam with Revolut in its in-app chat</b>
10 – 17/07/2023				Mr M has numerous calls with his current account provider to discuss transfers he's attempting to make to Revolut
21/07/2023				Mr M goes into his current account provider's branch. It is identified that he is falling victim to a scam. The bank refuse to make any further payments to Revolut and The Banking Protocol is

				<i>invoked.</i>
21/07/2023 15:22	Mr M's account at B	£50	Card payment	Declined by fraud protection system
21/07/2023 15:41	Mr M's account at B	£900	Card payment	<b>Completed</b>  <b>Later refunded via chargeback</b>
21/07/21 14:44	Mr M's account at B	£3,000	Card payment	Declined by fraud protection system
21/07/2023 14:54	Mr M's account at B	£3,100	Card payment	Declined by fraud protection system
21/07/2023 15:09	Mr M's account at B	£3,560	Card payment	Declined by fraud protection system
21/07/2023 15:37	Mr M's account at B	£4,300	Card payment	Declined by fraud protection system
21/07/21 16:38	Person A	£7,100	Bank transfer	<b>Completed</b>  <b>APP warning based on payment purpose ("goods and services").</b>  <b>Payment discussed with Revolut in in-app chat.</b>
25/07/2023 10:49	Person B	£1,031	Bank transfer	<b>Completed</b>  <b>APP warning based on payment purpose provided ("safe account").</b>
25/07/2023 11:04	Person C	£2,046	Bank transfer	<b>Complete</b>  <b>APP warning based on</b>

				<b>payment purpose provided ("investment")</b>
<b>25/07/23</b>	<b>Person D</b>	<b>£915</b>	<b>Bank transfer</b>	<b>Completed</b>
<b>11:32</b>				<b>APP warning based on payment purpose - as above</b>

*All of the payments that left Mr M's Revolut account were facilitated by incoming payments from Mr M's current account and his wife's current account. Both accounts were held with a third-party bank.*

*Mr M says he initially realised he was likely falling victim to an investment scam as early as 23<sup>rd</sup> June 2023 after seeing some scam warnings provided by Revolut. By early July, it appears that his current account provider had also told him he was falling victim to a scam. However, when he declined to make any further payments at the request of the scammer, the scammer began to call him every day. The scammer told Mr M that he had made significant profits on his original investment and continued to show him the scam investment portal. The scammer told Mr M that he only needed to transfer a small amount in order to receive these funds. Mr M became concerned that he would lose his original investment and so he continued to make payments between 21<sup>st</sup> and 25<sup>th</sup> July 2023. At this point, Mr M's daughter overheard him on the telephone to the scammer and told him to stop.*

*Successful chargeback claims were processed in regard to the card payments Mr M had authorised and the funds were transferred back to his account. However, Revolut declined to provide Mr M with a refund of the remainder of the amount lost. It said it had intervened and spoken to Mr M on numerous occasions throughout the course of the scam and each time, Mr M had misled it about the reason he was making the payments. It said because of this, Revolut had been unable to stop Mr M falling victim to the scam and it shouldn't be held liable for his loss now.*

*Unhappy with Revolut's response, Mr M brought his complaint to this service via a representative, and one of our investigators looked into things.*

*Our investigator didn't recommend that the complaint be upheld. He agreed that Mr M had made it difficult for Revolut to prevent the scam as he hadn't been truthful about the real reason for the payments. Because of this, the investigator didn't think Revolut could've done any more than it had to prevent the success of the scam. He also pointed out that that when Mr M moved his money from his current account to Revolut, the third-party bank where his funds were being moved from flagged the transactions as suspicious and requested Mr M go into branch to discuss them. The third-party bank refused to make any further payments to Mr M's Revolut account. However, even after significant intervention by the third-party bank, Mr M continued to make payments to the scammer. So, our investigator felt that even if Revolut had intervened in a similar way, Mr M would've continued to make the payments regardless. For this reason, the investigator didn't think it would be fair to ask Revolut to refund Mr M's loss now.*

*Mr M didn't agree with our investigator's findings and as an informal agreement could not be reached, the case has been passed to me for a final decision.*

*What I've provisionally 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.*

*In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.*

*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. But that's not the end of the story.*

*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 in June 2023 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;*
- 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.*

*Should Revolut have recognised that Mr M was at risk of financial harm from fraud?*

*Mr M opened his Revolut account in June 2023 at the request of the scammers in order to facilitate the scam payments. So, the account was newly opened and there wasn't any previous genuine account activity that Revolut could compare the scam activity to. However, by 23 June 2023, I'm satisfied that Revolut was on notice that Mr M was most likely falling victim to a scam - Mr M himself had told Revolut that he thought he'd been the victim of a scam via its in-app chat. He also told Revolut that he'd opened the account under the instruction of the scammer and that the scammer had requested he also open an account with B. Mr M went on to tell Revolut he'd been asked to download third-party viewing software, and he shared some screenshots of the conversations he'd been having with the scammer via messaging service.*

*Despite all of the above and having read the in-app chat that took place between Mr M and Revolut, it's clear that no one at Revolut really engaged with what Mr M said. Mr M is passed back and forth between multiple Revolut agents in the chat. He is asked to repeat himself on numerous occasions and is receiving templated responses which don't particularly engage with his requests for assistance or get to the bottom of what is happening to him.*

*Revolut do not confirm with Mr M that he is likely falling victim to a scam and at no point is he told to stop engaging with the scammer. In fact, at one point, an agent requests that Mr M continue to engage with the scammer for a further 24 hours to see if he can get his money back. So, it's clear that there are significant failings on Revolut's part from this point onwards.*

*I have taken on board what Revolut has said about intervening in all the payments that took place after this and Mr M misleading it about the circumstances surrounding the payments. However, had Revolut engaged with that had been happening on this account from the outset and with what Mr M was saying in the app chat, I think it would've been clear to Revolut that Mr M was likely falling victim to a scam and that all of the payments posed a significant risk.*

*In short, I'm satisfied that Revolut could've done more than it did to protect Mr M from the scam. However, all of the above being taken into account, I'm still not persuaded that any further or proportionate intervention by Revolut would've stopped Mr M continuing with the scam payments or prevented his overall loss. I will explain why in more detail below.*

*Could further intervention by Revolut prevented Mr M's loss?*

*By 1 July 2023, Mr M's current account provider appears to have been satisfied Mr M is most likely falling victim to a scam and it has several telephone conversations with him about the payments he is attempting to make to his Revolut account.*

*Based on the notes provided by Mr M's current account provider, it appears that on 21 July 2023, a member of staff told Mr M that he had to visit a branch in person in order to have his account unblocked. This bank, which for the purposes of this decision I will refer to as "L", then invoked The Banking Protocol. The notes also suggest that Mr M was spoken to at length in branch, that he was required to watch educational videos regarding investment scams and that he was told that he was falling victim to a scam. L then told Mr M that it would no longer allow any payments to his Revolut account. However, even after this intervention, Mr M continued to make payments to the scammer. And as he can no longer make payments to Revolut from his account at L, it appears that he asks his wife to start transferring funds to the Revolut account instead, which allows him to continue. It is these transfers into the Revolut account that facilitate the remainder of the scam payments out of Mr M's account.*

*Because of the above, it wouldn't be reasonable for me to now say that Revolut could've prevented the scam had it stepped in and told Mr M he was falling victim to a scam, blocked his account and told him not to continue making payments. L had already done this and Mr M had started to use funds from his wife's account instead in order to get around the security measures put in place. And it wouldn't now be reasonable for me to assume Mr M would've acted differently had Revolut done the same thing. Instead, it appears to me that Mr M was deeply under the spell of the scammer and was determined to make the payments in the hope that he would be able to recover the funds he had already lost. And so, I'm persuaded Mr M would've found a way to facilitate the payments regardless – as he had done when L refused to make any further transfers on his behalf.*

*Like the investigator, I'm not satisfied that a proportionate cryptocurrency investment scam warning would have resonated with Mr M or led him to act differently. I'm not persuaded that even the most pointed warning would've broken the spell Mr M was under, it hadn't previously. And based on the evidence I've seen, Mr M appears to have been willing to continue to engage with the scammers even after he'd been told he was falling victim to a scam in the hope that the investment was real and that he hadn't lost his savings.*

*I want to stress here that I understand why Mr M acted the way he did. He has told us he was feeling low at the time and was desperate to ensure that he didn't lose the funds he'd already paid to the scammer and so he continued to make payments in the hope that the investments were real - but by doing so, he also took the risk that they were not. And it wouldn't now be fair for me to say that a proportionate intervention by Revolut in July 2023*

*would've made a difference here or that it would have resonated so much with Mr M that he wouldn't have continued making payments. Mr M's actions in light of a similar warning at the time, suggest he would've continued to make payments at the request of the scammer.*

*For the reasons explained by the investigator, I also don't think Revolut could have done more to recover Mr M's funds. It was able to raise successful chargeback claims in relation to the card payments. The rest of the funds were used to buy cryptocurrency and this service was ultimately provided.*

*Finally, I want to say how sorry I am to hear about the situation Mr M has found himself in. He has clearly been the victim of a sophisticated scammer and I recognise that he was acting under their instructions. However, for the reasons set out above, I can't fairly ask Revolut to reimburse his loss now."*

### **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'm minded to reach the same overall conclusion that I reached in my provisional decision. I'll explain why below:

Revolut responded to my provisional decision to say it had nothing further to add.

Mr M also responded to my provisional decision, and he asked me to reconsider my findings. He referred me to some final decisions previously issued by this service upholding complaints like his. He also said Revolut shouldn't have allowed him to make the payments now under discussion here and that, at the very least, Revolut should've contacted him to tell him that he was falling victim to a well-known scam. Mr M also pointed out that, if necessary, Revolut should've gone as far as closing his account to stop him from continuing to make payments.

I'll address each of Mr M's points in turn.

From the outset I should stress that the Financial Ombudsman Service decides each case on its own individual merits and past final decisions do not set a precedent for future cases. Regardless, the facts of this case differ from the cases Mr M has shared with me. In those cases, there was no significant intervention by any of the financial businesses involved in the scam. In Mr M's case, there was significant intervention. And it appears that Mr M was told in no uncertain terms that he was falling victim to a scam and his current account was blocked. However, Mr M found a way around the security measures put in place and continued to make payments to the scammer regardless.

So, whilst I agree with Mr M that there were significant failings on behalf of Revolut in this case, it wouldn't now be reasonable for me to say that had Revolut blocked Mr M's account and told him he was falling victim to a scam, his loss would have been prevented. L had already blocked payments from Mr M's current account and told him was falling victim to a scam – and Mr M had continued. And so, it wouldn't be reasonable for me to reach the conclusion that had Revolut done the same thing, the scam would've been prevented.

When L told Mr M it would no longer allow payments to his Revolut account, Mr M began to use another account instead. And so, as I said in my provisional decision, it appears that Mr M was completely under the spell of the scammers at the time and determined to send

further funds despite being warned that he was falling victim to a scam and payments being stopped / blocked. And so, I'm not satisfied that the scam could've been prevented had Revolut intervened and blocked the account as Mr M has suggested in response to my provisional decision. It didn't stop when L intervened and blocked payments from leaving Mr M's current account, Mr M simply found another way to transfer funds to the scammer, namely by using his wife's account instead. This suggests to me that Mr M would've continued making payments to the scammer despite any intervention by Revolut. I'm persuaded Mr M would've found a way to facilitate the payments regardless – as he had done when L refused to make any further transfers on his behalf.

For the reasons set out above, I don't agree that Revolut would've been able to prevent Mr M's loss had it gone on to block / close his account. For these reasons, I'm still of the opinion that it would not be reasonable to say that Revolut should be liable for Mr M's loss now.

### **My final decision**

My final decision is that I do not uphold this complaint against Revolut Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 August 2025.

Emly Hanley Hayes  
**Ombudsman**