

The complaint

Mr P complains that Revolut Ltd (Revolut) is refusing to refund him the amount he lost as the result of a scam.

Mr P is being represented by a third party. To keep things simple, I will refer to Mr P throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr P tells us he was cold contacted by an investment company I will call "X". X said it was able to make money on cryptocurrency and forex trading using AI and that it never loses.

As part of the investment process Mr P was required to download screen sharing software and was guided by X on how to setup a cryptocurrency wallet. X communicated with Mr P via well-known messaging applications.

Mr P says he carried out online research into X before sending payments and was given access to what appeared to be a legitimate trading platform, Mr P says the investment also appeared to be legitimate despite promising very high returns.

Mr P funded the investment via his own funds and taking various loans.

Mr P has been unable to withdraw his funds from the investment and has concluded that he has fallen victim to a scam. Mr P has disputed the following payments:

Payment	Date	Payee	Payment Method	Amount
1	31 May 2023	Exchanged to BTC		£3,000.00
2	31 May 2023	Crypto.com	Debit Card	£875.42
3	31 May 2023	Crypto.com	Debit Card	£2,861.06
4	9 June 2023	Cro	Debit Card	£6,000.00
5	12 June 2023	Cro	Debit Card	£6,004.32
6	16 June 2023	Cro	Debit Card	£7,724.25
7	19 June 2023	Cro	Debit Card	£2,574.75
8	19 June 2023	Cro	Debit Card	£3,701.25
9	19 June 2023	Cro	Debit Card	£3,026.10
10	20 June 2023	Cro	Debit Card	£2,317.28
11	22 June 2023	Cro	Debit Card	£2,265.78
12	22 June 2023	Cro	Debit Card	£2,288.44
13	22 June 2023	Cro	Debit Card	£1,441.86
14	22 June 2023	Cro	Debit Card	£1,853.82
15	26 June 2023	Crypto.com	Debit Card	£2,368.77
16	26 June 2023	Binance	Debit Card	£4,200.00
17	26 June 2023	Binance	Debit Card	£3,950.00

18	26 June 2023	Binance	Debit Card	£3,350.00
19	26 June 2023	Binance	Debit Card	£2,175.00
20	27 June 2023	Binance	Debit Card	£4,000.00
21	28 June 2023	Binanceltgbpecom	Debit Card	£3,422.00
22	28 June 2023	Binanceltgbpecom	Debit Card	£4,212.00
23	28 June 2023	Binanceltgbpecom	Debit Card	£3,722.00
24	28 June 2023	Binanceltgbpecom	Debit Card	£4,600.00

Our Investigator considered Mr P's complaint and didn't think it should be upheld. Mr P disagreed, so this complaint has 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.

What I can and can't look into in relation to this complaint

Our service can't consider all complaints that are referred to us. The rules under which we operate are set out in the Financial Conduct Authority's Handbook and are collectively known as the DISP rules. We can only consider complaints that fall within our jurisdiction, in line with these rules.

Particularly relevant to Mr P's complaint is DISP 2.2 which states:

"DISP 2.2: Which complaints can be dealt with under the Financial Ombudsman Service?

2.2.1 The scope of the Financial Ombudsman Service's two jurisdictions depends on:

(1) the type of activity to which the complaint relates..."

Those activities are then listed in DISP 2.3 (although I will not list all of them here). We can only consider complaints that relate to an act or omission by a financial business in carrying out one or more of the activities listed in DISP 2.3.

Cryptocurrency isn't electronic money or fiat currency according to the Financial Conduct Authority. Instead, it classifies cryptocurrency, and similar cryptocurrency-assets, as 'exchange tokens'. The operation of cryptocurrency services isn't currently regulated by the financial regulator in the UK.

There are no activities listed in DISP 2.3 which would cover the activity this part of Mr P's complaint relates to – namely, withdrawing the cryptocurrency and sending it on to the scammer. And so, I don't think his complaint in relation to the cryptocurrency payments relates to an activity covered by us.

I am mindful that Mr P deposited fiat currency to his Revolut account and then exchanged this into the cryptocurrency which was withdrawn and ultimately lost to the scam. But the sending of the cryptocurrency was provided separately from the provision of Mr P's main e-money account. In the circumstances, I don't consider Revolut's provision of sending cryptocurrency services to be sufficiently closely linked to its provision of payment services to Mr P (through the provision of his e-money account) that it should be deemed ancillary to this. So, I'm satisfied that this service is unable to investigate the withdrawal of cryptocurrency here.

What I can look at, is whether Revolut should have intervened when the deposits into Mr P's

account were made and when the funds were converted into crypto. I can also look at payments Mr P made directly to cryptocurrency exchanges.

It has not been disputed that Mr P has fallen victim to a cruel scam. The evidence provided by both Mr P and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr P lost due to the scam.

Recovering the payments Mr P made

Mr P made payments into the scam via his debit card and by withdrawing cryptocurrency from his account. I have already explained I am unable to look at the withdrawals of cryptocurrency.

When payments are made by card the only recovery option Revolut has is to request a chargeback.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders. The card scheme operator ultimately helps settle disputes that can't be resolved between the merchant and the cardholder.

As Mr P made legitimate payments to legitimate cryptocurrency exchanges, likely in exchange for cryptocurrency that was provided to him, and it took further steps for those funds to end up in the hands of the scammer any chargeback attempt would have no prospects of success, as those payees provided the service requested by Mr P in exchange for the payments he made.

Should Revolut have reasonably prevented the payments Mr P made?

I have considered whether Revolut should have intervened when Mr P received payments into his Revolut account. In general, I wouldn't expect Revolut to have concerns about deposits being made into a customer's account and interventions to take place unless they had money-laundering concerns which it didn't have in on this occasion. So, I don't think it was unreasonable that Revolut didn't intervene when payments were made into Mr P's account.

It has been accepted that Mr P authorised the payments that were made from his account with Revolut, albeit on X's instruction. So, the starting point here is that Mr P is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have been aware of the scam and intervened when the payments were made. And if it had intervened, would it have been able to prevent the scam taking place.

When Mr P made payment 1 he was exchanging his fiat funds into cryptocurrency, it would have been clear to Revolut that Mr P was carrying out this exchange. Given the value of the payment and that it was cryptocurrency related I think Revolut should have had concerns and it should have intervened.

I think that an appropriate intervention would have been for Revolut to have provided Mr P with a tailored written warning relevant to cryptocurrency investment scams.

Mr P also went on to make larger payments with multiple payments being made in a single day I think it could be argued that Revolut should have intervened when these payments were made. I think that a proportionate intervention would have been for Revolut to discuss the payments with Mr P, for example by directing him to its in-app chat facility where more questions about the payments could be asked.

But I don't think the types of interventions I have explained above would have made a difference, I will explain why.

When Mr P brought his complaint to us, he said he had no previous cryptocurrency experience, this turned out to be incorrect, having looked at statements for his account held elsewhere it is clear that Mr P had made previous cryptocurrency related payments. While Mr P tells us the payments were small and limited, I think they are still relevant and should have been disclosed.

I have looked at the information provided by Mr P including the chat history between himself and X. I can see that X told Mr P that if he is asked about the payments, he should withhold information about X's involvement. X said:

"Regarding if you are working with anybody or if you are working on a platform, for the sake of your funds, please tell them no, as I have had clients have their money held in escrow for months due to their answer."

While Mr P was not required to answer such questions when making the payments he appears to agree to mislead his account provider and replies "no worries".

I think it would have been reasonable for Mr P to have queried this with X rather than continuing to make payments and taking X's advice over the potential attempts from his account providers to protect his funds. I think that based on Mr P's answer and actions in making payments it is likely he would have withheld the information as requested by X.

There is further evidence to support that Mr P was being guided and directed by X from the chat he had with Revolut when reporting the scam. He said:

I appreciate I passed the security, but I was being guided by the scammers .. and directed"

Mr P also took out various loans to fund the investment. We know that Mr P gave an incorrect loan purpose when taking one of the loans, and considering it is very unusual for a loan to be provided for the purpose of investment I think it's most likely he gave incorrect reasons when applying for the other loans too.

Mr P was required to download screen sharing software as part of the investment process. Revolut has provided a copy of the screens Mr P would have seen when downloading the software. The warning explained that the software gave access to a third party and would allow them to do all the tasks he could do on the device. Yet Mr P still allowed access to X via the application.

Mr P says Revolut should have done more to protect him and that if it did the scam and his loss would have been avoided. But I think the information provided and highlighted above shows that Mr P was under the spell of the scammer and willing to accept X's guidance throughout the scam.

Mr P has been dishonest with our service and with at least one loan provider, he also confirmed within a chat with the scammer that he would give dishonest information if questioned when making payments.

With the above in mind, I think it's most likely that Mr P would have been dishonest with Revolut had it intervened in the way I have explained it should have above.

Giving dishonest answers to Revolut's questions would have made it very difficult for Revolut to uncover the scam that was taking place. So, I don't think Revolut missed an opportunity to uncover the scam, and it is not responsible for Mr P's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 3 September 2025.

Terry Woodham
Ombudsman