

The complaint

Mr C, via a representative, has complained that Revolut Ltd (“Revolut”) failed to refund the money he lost as part of an investment scam.

What happened

The details of this complaint are well known to both parties, so I will not repeat everything again here. Instead, I will focus on giving the reasons for my decision.

In summary though, Mr C was contacted by a scammer who purported to be a representative of a crypto ledger. They claimed that Mr C was entitled to over £100,000 but he would have to pay a 10% fee to release the funds. I will call the scam company B.

Mr C then made over 15 payments to B. These were made by direct crypto withdrawals to a crypto wallet and transfers to a third party’s bank account. The funds were then sent to B. The scam took place between January 2024 and November 2024.

Mr C realised he had been scammed when he did not receive the promised amount. Mr C asked Revolut to refund these payments, as he believes Revolut should have done more to prevent him from being scammed in the first place. Revolut did not agree with this.

One of our investigators looked into this matter and she thought that any intervention from Revolut would not have stopped the scam. She therefore did not uphold this complaint.

Mr C did not agree with this and therefore this case has been passed to me to issue a final decision.

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 agree with the conclusions reached by the investigator for the following reasons.

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.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, on what I consider is more likely to have (or would have) happened, in light of the available evidence and the wider circumstances.

In broad terms, the starting position is that Revolut is expected to process payments and withdrawals that a customer authorises it to make. This should be in accordance with the Payment Services Regulations and the terms and conditions of the customer’s account.

However, taking into account relevant law, regulatory 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 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 – (as in practice Revolut sometimes does); and
- 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 can see that Revolut intervened early on in the scam on a couple of occasions and asked questions about the payments that Mr C made. Mr C gave answers that were misleading which prevented Revolut from uncovering the scam. For example, Mr C said he was intending to purchase crypto to hold in a cold wallet which he would sell when they were worth more money; he said nobody that he had met online was guiding him; and he had not been asked to make the payment by a third party. He also, when questioned about the transfers to a third party's bank account, said that he was paying friends and family for some goods that he had purchased. These answers prevented Revolut from uncovering the scam.

Revolut, also during these interventions, provided a number of warnings. These warnings included the features of the scam that Mr C was actually falling for. Including specifically saying that the specific crypto ledger that Mr C had received a fake letter from would never contact him asking for him to make a payment to release funds. Revolut made it clear that if he had been contacted about this, it was a scam. Clearly, these warnings did not resonate with Mr C, either at the time or later in the scam, which resulted in Mr C continuing to send money to B.

I think that Revolut should have intervened again later in the scam. But I think that the same thing would have happened. With this in mind, and given that Revolut was only required to take proportionate steps to try and protect Mr C from financial harm, I'm not persuaded he would've shared anything concerning with Revolut, had it questioned him more about what he was doing. So overall, I think that Revolut should have intervened more than it did. But I do not think that this would have likely stopped or uncovered the scam or allowed Revolut to provide a relevant warning that would have resonated with him.

I've also thought about whether Revolut could have done more to recover the funds after Mr C reported the fraud.

In relation to the crypto transfers, Revolut are under no obligation to refund the money, under any of the reimbursement schemes as it does not cover crypto transfers. And in any event, the funds went to an account in Mr C's own name, so they would not be covered for that reason as well. In relation to the transfers to the third party, when they took place the Contingent Reimbursement Model was in effect, but Revolut were not part of the scheme. I can see that Revolut did attempt to contact the receiving bank to see if any funds remained, but it was confirmed that the funds were removed shortly after the transfers to the account. So I don't think that the funds could be recovered via other means.

I appreciate this will likely come as a great disappointment to Mr C, and I'm sorry to hear he has been the victim of a scam. However, whilst I have a great deal of sympathy for the situation that Mr C found himself in, I'm not persuaded that Revolut can fairly or reasonably be held liable for his loss in these circumstances.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 January 2026.

Charlie Newton
Ombudsman