

The complaint

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

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 S and his partner received several calls from what they thought were trusted financial institutions claiming their funds were at risk.

They were called from what appeared to be several different providers that they held accounts with. The callers explained that their accounts were at risk and that they should transfer all their funds to Mr S's Revolut account as it offered the highest security.

Mr S has told us that the various callers appeared genuine and the numbers they called from even appeared to be genuine numbers associated with the different account providers. Concerned about losing their funds they complied with the requests.

Having complied with the request to move funds to Mr S's Revolut account he was then required to authorise multiple payments out of that account, these payments included cryptocurrency purchases and withdrawals. Some of the payments triggered an intervention and he was guided through how to answer questions incorrectly having been told that an investigation was being carried out and it was important to keep the investigation confidential.

Having made the payments as requested Mr S became sceptical and called his account providers directly, he then found he had fallen victim to a scam.

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 S'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 S'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 those cryptocurrency payments relates to an activity covered by us.

I am mindful that Mr S 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 S'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 S (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 S's account were made and when the funds were converted into cryptocurrency. I can also look at any payments Mr S made directly to a cryptocurrency exchange.

Mr S received the following deposits into his Revolut account:

<u>Date</u>	<u>Amount</u>
18 December 2024	£3,908.81
18 December 2024	£2,000.00
19 December 2024	£2,345.00
19 December 2024	£3,000.00
19 December 2024	£4,700.00
19 December 2024	£4,900.00
19 December 2024	£4,650.00
19 December 2024	£5,200.00

Mr S made the following exchanges into cryptocurrency from within his Revolut account:

<u>Date</u>	<u>Exchanged to</u>	<u>Amount</u>
19 December 2024	ETH	£5,977.88
19 December 2024	GBP	£1.97

Mr S also made the following payments from his Revolut account in relation to the scam:

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
1	18 December 2024	Eth	Crypto Withdrawal	£2,653.84
2	18 December 2024	BTC	Crypto Withdrawal	£6,134.17
3	18 December 2024	XRP	Crypto Withdrawal	£1,701.07
4	18 December 2024	SOL	Crypto Withdrawal	£1,337.22
5	18 December 2024	ADA Cardano	Crypto Withdrawal	£430.49
6	19 December 2024	TAP	Debit Card	£3,500.00 refunded
7	19 December 2024	Tap Global	Debit Card	£1,490.00 refunded
8	19 December 2024	TAP	Debit Card	£1,015.00 refunded
9	19 December 2024	TAP	Debit Card	£3,980.00
10	19 December 2024	TAP Global	Debit Card	£3,980.00 refunded

11	19 December 2024	Remitly	Debit Card	£1,450.00
12	19 December 2024	Remitly	Debit Card	£1,450.00
13	19 December 2024	Furniture 123	Debit Card	£419.83
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
	19 December 2024	Remitly	Debit Card - Declined	£0.00
14	19 December 2024	Goldsmiths	Debit Card	£18,200.00

Our Investigator considered Mr S's complaint and didn't think it should be upheld. Mr S 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.

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

Recovering the payments Mr S made

The payments I can consider, are those Mr S made via his debit card.

I can see that Revolut did attempt to recover payment 14 via the charge back process, unfortunately this was unsuccessful.

The remaining payments went to known exchanges. As the payments were made to legitimate businesses and it took further steps for those funds to end up in the hands of the scammer any attempts to recover the payments would have no chance of success.

With the above in mind, I don't think Revolut had any reasonable options available to it to recover the payments Mr S made.

Should Revolut have reasonably prevented the payments Mr S made?

It has been accepted that Mr S authorised the payments that were made from his account with Revolut, albeit on the scammer's instruction. So, the starting point here is that Mr S 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 Mr S made the payments. And if it had intervened, would it have been able to prevent the scam taking place. I have looked at each type of payment in turn.

Deposits

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 S's account.

Exchanges to cryptocurrency within the Revolut platform and Payments directly to a cryptocurrency exchange

I think it could be argued that the first exchange into cryptocurrency Mr S made, and the larger payments he made to cryptocurrency exchanges should have caused Revolut to have concerns that he may have been at risk of financial harm. I say this because these payments were for relatively high values, and these types of payments generally carry a higher risk.

However, Revolut did intervene on multiple occasions when the payments related to the scam were made.

When each of the cryptocurrency withdrawals were made Mr S received educational stories. Mr S was required to give a payment purpose and warned about the importance of answering Revolut's questions truthfully. Mr S choose the payment purpose as either "Investment" or "Something else" on each occasion.

When Mr S selected "Investment" he was warned:

"Is anyone pressuring you to make this transfer? If you are being told what to say, or that you need to act quickly, this may be a scam."

Mr S answered:

"No, I am completing this transaction by myself"

Although Mr S answered this question incorrectly Revolut still warned him:

"If someone is telling you to ignore these warnings, they're a scammer. – Only continue if you're sure nobody is pressuring you to make this payment"

Mr S choose to continue with the payment despite the payment being paused to give him time to carry out further research.

When Mr S selected "Something else" he was asked several questions which he answered incorrectly. Mr S confirmed that he had not been told what to select, no one had told him his account was unsafe, he wasn't asked to install any software, and he hadn't been told to ignore warnings.

Although Mr S answered this question incorrectly Revolut still provided him with several warning screens which included:

- "This could be a scam"
- "Be wary of unexpected calls – Fraudsters can make calls look legitimate. Check if the call is genuine by contacting the organisation or person yourself"
- "Told your account isn't safe – Financial institutions won't ask customers to urgently move funds. Do not transfer to an account you didn't open yourself"

- “Never ignore these warnings - Scammers will tell you to ignore warnings. If you have been told to ignore these red flags we’ve raised, then stop. It’s a scam”

When Mr S attempted payment 9 he was asked the same questions, he gave the same answers and received the same relevant warnings.

When Mr S attempted payment 11 his was directed to Revolut’s in app chat facility.

Mr S explained he was making the payment to a family member. Mr S provided fake images to support the payment he was making and conversations he had with the family member asking for help.

A call then took place between Revolut and Mr S. I have listened to a recording of the call. Mr S was warned about the importance of providing truthful answers and he confirmed:

- A family member had contacted him to make a payment
- It was a genuine relative he had spoken to recently
- The family member needed his support
- He had not received any contact stating his funds were not safe
- When his family member asked him for funds it was not unusual, and similar requests had been made before.
- He had not been contacted by anyone claiming to be from the account provider

I think it’s clear from the available evidence that Mr S was under the spell of the scammer and was willing to give dishonest answers to Revolut on multiple occasions when it intervened. Mr S was also willing to ignore warnings provided by Revolut that clearly covered some of the red flags associated with the payments he was making.

I think Revolut’s interventions were proportionate to the risks associated with the payments Mr S made, but as Mr S answered Revolut’s questions dishonestly it was very difficult for Revolut to uncover the scam that was taking place.

Had Mr S answered Revolut’s questions honestly or taken notice of the clear warnings Revolut provided I am satisfied the scam would likely have been uncovered.

With all of the above in mind I don’t think Revolut missed an opportunity to prevent the scam and it is not responsible for Mr S’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 S to accept or reject my decision before 18 December 2025.

Terry Woodham
Ombudsman