

The complaint

Mr G complains about Revolut Ltd.

He says that Revolut failed to protect him when he fell victim to a cryptocurrency investment scam and would like it to refund him the money he has lost as a result.

What happened

Mr G received a phone call out of the blue by from an individual who claimed to work for an investment company I will refer to as 'S'. The individual said that he could work as Mr G's personal account manager and invest on his behalf – they seemed to know a lot about Mr G and were professional and knowledgeable.

Mr G did some research on S and found some good reviews which reassured him about the investment.

The individual told Mr G that he would be investing in cryptocurrency on Mr G's behalf, and told him to download the screen sharing software, Anydesk. He was also given access to a trading platform where he could 'see' his investments in real time which all seemed professional, technical and detailed.

After deciding to go ahead with the investment, Mr G opened accounts with legitimate crypto exchanges, and began to make payments.

Mr G initially began making payments to the scam from his account with 'L' and then began transferring money from his account with L to Revolut, before using these funds to purchase cryptocurrency from legitimate crypto exchanges.

Between April 2022 and September 2022, he made payments from his account with Revolut of £82,220.

Things appeared to go well, and Mr G was pleased with how he thought his money was doing. He was in regular contact with the individual throughout the process.

Mr G was convinced by the individual, who we now know to be a scammer, until they told Mr G that in order to make a withdrawal, he would need to make further payments for tax purposes – but Mr G had already done so. The individual then became threatening to Mr G and said that they would come to his home.

Mr G complained to Revolut about what had happened, but it didn't uphold his complaint, so he brought it to this Service. Our Investigator looked into things but didn't think that Mr G's complaint should be upheld.

Mr G asked for an Ombudsman to make a final decision, so the complaint has been passed to me.

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 decided not to uphold this complaint, for broadly the same reasons as our Investigator.

In broad terms, the starting position at law is that banks and other payment service providers (PSP's) are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And I have taken that into account when deciding what's fair and reasonable in this case.

Mr G authorised the payments in question here – so even though he was tricked into doing so and didn't intend for the money to end up in the hands of a scammer, he is presumed liable in the first instance.

But this isn't the end of the story. As a matter of good industry practice, Revolut should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: banks had (and have) obligations to be alert to fraud and scams and to act in their customers' best interests, but they can't reasonably be involved in every transaction.

Taking into account the law, regulator's rules and guidance, relevant codes of practice and what I consider having been good industry practice at the time, I consider Revolut should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and 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 banks 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, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- 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.

In this case, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr G when he authorised payments from his account or whether it could and should have done more before processing them.

Looking at the payments Mr G made from his account with Revolut, I think that Revolut should have intervened from the first payment Mr G made from his account towards the

scam – the payment was for £7,000, and going to a known crypto exchange, so I think that Revolut should have checked in with Mr G and asked him about what he was doing and why.

Revolut did show Mr G a warning for this payment (for which he selected goods and services rather than the available ‘investment’ option) – it explained that it might be a scam and gave Mr G a warning that was relevant to a purchase scam, not the type of scam that Mr G fell victim to.

I think that Revolut should have known that the payment was going to a crypto exchange – and provided him with a warning about this instead – however, in order for me to uphold this complaint I would have to think that such a warning would have prevented Mr G’s losses, and I’m afraid I don’t think that it would. I’ll explain why.

Prior to making his payments from Revolut, Mr G had been making his payments to fund the scam from his account with L – and L did intervene with what Mr G was doing, however Mr G was being coached by the scammer in what to say and told L he was purchasing a car. While Revolut would have known that the payment was going to crypto, from what I have seen from the communication with the scammer, it appears that Mr G was under the spell of the scammer, and was willing to mislead banks over the true reasons for his payments – so even if Revolut had asked him questions around crypto currency, I am not persuaded that this would have caused Mr G to fully disclose what he was doing and why to Revolut.

I am very sorry for the situation Mr G now finds himself in – I know he has lost a lot of money to a manipulative scammer – but his loss wasn’t caused by Revolut. And I can’t ask it to refund him when I don’t think it could have prevented his loss.

My final decision

I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr G to accept or reject my decision before 20 November 2025.

Claire Pugh
Ombudsman