

## The complaint

Mr A complains Revolut Ltd won't refund payments he lost when he was the victim of a cryptocurrency ('crypto') investment scam.

Mr A is professionally represented, however, to keep things simple, I'll refer to Mr A throughout my decision.

## What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

Mr A was contacted on an instant messaging application about an investment opportunity with a firm I'll refer to as 'C', which we now know to be a scam. Mr A followed a link provided to C's website, and he was impressed with how professional and genuine the opportunity looked. As an inexperienced investor, Mr A carried out some basic checks and as he didn't come across any negative reviews, he felt confident the investment opportunity was genuine. He was then told he needed to download remote access software to allow an advisor from C to trade on his behalf.

Mr A made the following payments to purchase crypto with a legitimate crypto provider before forwarding it on to C's trading platform:

Payment	Transaction date and time	Payment Method	Amount
1	26 November 2023 – 13:12pm	Card payment	£500
2	06 December 2023 – 11:44am	Card payment	£1,000
3	06 December 2023 – 11:45am	Card payment	£1,000
4	06 December 2023 – 15:23pm	Card payment	£1,000
5	14 December 2023 – 14:39pm	Card payment	£7,000
6	14 December 2023 – 19:01pm	Card payment	£100
		<b>Total loss:</b>	£10,600

Mr A was happy with the profits he had made and ready to make a withdrawal from the account, only to be told he would need to pay various fees. It was at this point Mr A discussed the investment with a friend and he realised he had been the victim of a scam.

Mr A raised a complaint with Revolut. In short, he said:

- The Revolut account was opened as part of this sophisticated investment scam under the instruction of C.
- Revolut allowed a newly opened account to receive high-value credits to be transferred out within one hour, which was in line with several patterns of fraud and financial crime.
- Revolut missed an opportunity to intervene when he made his first payment of £1,000. This payment should have prompted Revolut to block further payments and

contact him because the payment was out of character and represented a marked change in his account conduct.

- He used a well-known cryptocurrency exchange and due to the high levels of crypto fraud seen at an industry level. An effective intervention should have taken place by Revolut when he attempted the payments.
- To settle the complaint, he wanted Revolut to provide a full refund, pay 8% simple interest and £300 in compensation.

Revolut didn't uphold the complaint. In short, their final response letter said they followed all the correct procedures. But due to a lack of key information / evidence provided by Mr A in relation to the scam they were unable to take any further action.

The complaint was referred to the Financial Ombudsman. Our Investigator thought the complaint should be upheld in part and asked Revolut to provide Mr A with a 50% refund of the last two payments and pay 8% simple interest.

Mr A confirmed his acceptance.

Revolut didn't agree with our Investigator. In summary, they said:

- This is a 'self-to-self' scenario in which Mr A owned and controlled the beneficiary account to which the payments were sent. Hence, the fraudulent activity didn't occur on Mr A's Revolut account – as the payments being made were to perform legitimate cryptocurrency purchases to an account held in Mr A's own name.
- The recent reliance by the Financial Ombudsman on R (on the application of Portal Financial Services LLP) v FOS [2022] EWHC 710 (Admin) is misconceived and amounts to a legal error.
- It is entirely relevant to consider possible other bank interventions – as the funds that originated with Revolut came from Mr A's own external bank account.
- It might be appropriate for the Financial Ombudsman to exercise its powers under DISP to inform Mr A that it could be appropriate to make a complaint against another firm if necessary.
- Revolut did provide accurate information regarding investment scams, however, Mr A answered every question untruthfully, as he was being guided by the scammers. This means that there is no certainty that further intervention would have unravelled the scam as the Financial Ombudsman Service seems to suggest. Therefore, believing that a human intervention would have changed the outcome, and sustained this belief on the simple fact that further enquiries would have uncovered the scam, is illogical. Especially as Mr A was being coached by the scammers and had effectively lied to Revolut upon further questioning.

As no agreement could be reached, Mr A's complaint has been passed to me to decide. I issued a provisional decision on 17 July 2025, and I said:

*I'm sorry that Mr A has been the victim of a scam. I realise he's lost a significant sum of money and I don't underestimate the impact this has had on him. And so, I'd like to reassure him that I've read and considered everything he's said in support of his complaint. But I'll focus my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. But I must consider whether Revolut is responsible for the loss he has suffered. I know this won't be the outcome Mr A is hoping for but I don't think they are. And so, I don't think Revolut has acted unfairly by not refunding the payments. I'll explain why.*

*In broad terms, the starting position at law is that banks and other payment service providers 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.*

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

*But 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: as while banks and EMI's should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.*

*I've thought about whether Revolut acted fairly and reasonably in its dealings with Mr A when he made the payments, or whether it should have done more than it did. In doing so I've considered what Revolut knew about the payments at the time it received Mr A's payment instructions and what action, if any, Revolut took prior to processing the payments.*

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

*Revolut needs to take an appropriate line between protecting against fraud and not unduly hindering legitimate transactions. And, although, Revolut would have been aware the payments were going to a cryptocurrency exchange, I don't think payments 1 to 4 were unusual or suspicious enough for Revolut to have been sufficiently concerned about these payments – due to their relatively low values and payments 2, 3 and 4 being made more than a week after payment 1.*

*By payment 5 though, the payment amount had increased considerably, with it double the amount Mr A had paid so far, and it was again identifiably going to a crypto provider. Given what Revolut knew about the destination of the payment, I think that the circumstances should have led Revolut to consider that Mr A was at heightened risk of financial harm due to the fraud pattern that was emerging. In line with good industry practice and regulatory requirements, I am satisfied that it is fair and reasonable to conclude that Revolut should have warned Mr A before this payment went ahead.*

*Taking all of the above into account, and in light of the increase in multi-stage fraud, particularly involving crypto, I don't think that the fact payment 5 was going to an account held in Mr A's own name should have led Revolut to believe there wasn't a risk of fraud.*

*What did Revolut do to warn Mr A?*

*Revolut says it provided a warning to Mr A when he set up a new beneficiary prior to making the first transfer. It says it warned Mr A that he might be falling victim to a scam by providing the following message:*

*“Do you know and trust this payee?*

*If you're unsure, don't pay them, as we may not be able to help you get your money back. Remember, fraudsters can impersonate others, and we will never ask you to*

*make a payment”*

*While I don't discount this warning entirely, it is very general in nature and it's difficult to see how it would resonate with Mr A or the specific circumstances of the transaction in question. I think Revolut needed to do more.*

*In addition, Revolut also said they provided warnings on Payment 2 and 3 that were tailored to the payment purpose he selected. Mr A selected 'as part of an investment' for Payment 2, so he was provided with the following warnings tailored to investment scams:*

- ***“This could be an investment scam***

*STOP. Investment scams promise high returns in short periods of time, and might even have professional-looking online platforms*

- ***Don't give anyone remote access***

*Scammers may ask you to install software to view your screen. Uninstall software that gives someone else control*

- ***Beware of social media promotions***

*Fraudsters use social media to promote fake investment opportunities. Read online reviews to make sure it's legitimate*

*For payment 3, Mr A selected “transfer to my other account” for the payment purpose which generated the following warnings from Revolut being shown to Mr A:*

- ***Don't give anyone remote access***

*Scammers may ask you to install software to view your screen. Uninstall software that gives someone else control*

- ***Never ignore these warnings***

*Scammers will tell you to ignore warnings. If you've been told to ignore these red flags we've raised, then stop, it's a scam.*

*In my opinion given the low value of payments 2 and 3, these online warnings were proportionate to the risk presented by the payments. However, I don't think this was enough before the fifth payment was processed as that payment was significantly greater in value.*

*What kind of warning should Revolut have provided for payment 5?*

*I've thought carefully about what a proportionate warning considering the risk presented would be in these circumstances. In doing so, I've taken into account that many payments that look very similar to these will be entirely genuine. I've given due consideration to Revolut's duty to make payments promptly, as well as what I consider to have been good industry practice at the time these payments were made.*

*Taking that into consideration, I think Revolut, ought, when Mr A attempted to make payment 5, knowing it was going to a cryptocurrency provider and had increased considerably in value, done more to establish the circumstances of the payment and*

*what, if any, potential risk there was.*

*I would have expected Revolut to ask Mr A a series of open and probing questions to establish what scam Mr A may have been falling victim to and then provide a tailored warning regarding that scam. An intervention of this nature relies on a customer being accurate in their answers so that a firm can properly assess the risk of a payment and provide an appropriate warning. In not doing so, a customer can hinder the effectiveness of the intervention and result in the firm giving a scam warning that doesn't relate to the circumstances of the scam the customer is falling victim to. And it is therefore less likely to positively impact the customer, uncover the scam and prevent the loss.*

*If Revolut had provided a warning of the type described, would that have prevented the losses Mr A suffered from payment 5?*

*I've thought carefully about whether such a warning would've resonated with Mr A at the time he made payment 5, and to the extent whereby he wouldn't have proceeded with making it. Having done so, I don't think it would have.*

*I say this because Revolut have provided us with the answers Mr A gave when they asked him some questions after he selected the payment purpose on Payment 2 and 3. Mr A provided incorrect answers on more than one occasion. For example, Revolut asked for both payments "have you been asked to install software? Scammers might ask you to install software (e.g. Anydesk) to view your screen, spy on your personal details and help you to set up your investment account". On both occasions, Mr A responded: "No, I was not asked to install any software". We know this wasn't correct. Mr A was also asked "Is anyone telling you how to answer these questions? Is someone telling you which options to choose or telling you this is urgent?" On the latter payment, Mr A selected; "No, I am not being assisted through this questionnaire". We asked Mr A why he selected this and why he provided incorrect answers to some of the questions Revolut asked him, he said the scammer was telling him what to select and say to Revolut.*

*I also asked Mr A to provide the complete chat history he had with the scammer, as we have only been provided with a few screenshots from 3 and 24 December 2023. However, Mr A has said he is unable to provide the full scam chat as he has deleted it and the contact number of the scammer and all screenshots he has have already been provided.*

*Based on the information we've been provided, and as I have mentioned above, it's clear Mr A was being coached by the scammer in how he should answer questions posed by Revolut. It's difficult for me to know with any certainty, in the absence of Mr A's chat with the scammer's, to what degree he was coached. But, from what I've seen and what he's told us, he was guided on how to answer Revolut's questioning when making the payments. And he was willing to withhold the true circumstances of the payments from Revolut. This was also despite Mr A receiving some warnings that were relevant to his situation (which I've included above).*

*Overall, I think if Revolut had intervened as I've described and asked Mr A open and probing questions its more likely than not that he would have sought the guidance of the scammer on how best to respond – as it's evident he had followed their instructions prior to making payment 5. Consequently, as a result of this coaching, I don't think Revolut could reasonably have uncovered the scam or prevent his losses.*

*Given payment 5 was going to a well-known crypto exchange, Revolut arguably*

*should've provided Mr A warnings tailored to the associated risks involving crypto (regardless of the responses he provided to their questions). But even if Revolut had done so, I'm not persuaded this would've made a difference. Such warning would've required Mr A to have read and digested them – and in this case, as I've said, it seems the warnings that were relevant to his situation he did receive didn't resonate with him. And so, given he was being guided through the payment process by the scammers, I don't think he would've digested them to extent whereby he wouldn't have proceeded to make the payment anyway. Ultimately, I think he would've followed the scammer's instructions and made the payment.*

*I've also thought about whether Revolut should've done more to try to recover the funds Mr A lost. Unfortunately, there were no recovery options here. The payments were made by card to a legitimate crypto exchange. So, Revolut would not have been able to recover the funds as there's no dispute that the service was provided, which was the crypto to Mr A, which he subsequently sent to the fraudsters.*

*Whilst Mr A has undoubtedly been the victim of a cruel scam, I can only uphold his complaint if I'm satisfied Revolut's failings were the cause of his loss. And although I consider Revolut should've done more before processing payment 5, I'm not persuaded that this would've made a difference. I think Mr A would've most likely have referred any questions to the scammer and they would have told him what to say in response - as they had done previously. Because of this, I think Revolut would've considered he was making the payment for legitimate purposes. I therefore don't think Revolut has to refund Mr A.*

#### My provisional decision

*My provisional decision is that I do not uphold this complaint.*

Revolut did not respond to my provisional decision.

Mr A replied to say he disagreed. In short, he said:

- Intervention from Revolut on the £7,000 would have been conducted differently to the earlier payments – via live chat, which would have utilised open-ended inquiries, necessitating genuine engagement rather than quick selection of pre-set answers. So, it's unfair and unreasonable to draw conclusions from the initial interactions he had with Revolut. If this type of intervention had occurred, he would have responded honestly to open-ended questions, thereby preventing furtherance of the scam and averting the significant financial loss sustained.
- He provided truthful answers to Revolut's queries, indicating that he wasn't being guided and was not using third-party software when he made the payments from his Revolut account. This is because the guidance from the scammer only occurred after the funds had been sent from Revolut, and remote access was only used when the funds were in the third-party account. Therefore, he did not mislead Revolut but rather acted transparently.
- The limited scam correspondence he has been able to provide further substantiates he was honest during interactions with Revolut, reinforcing the likelihood of truthful engagement had a live chat intervention taken place. The scam chat provided showed he wasn't being coached by the scammer to mislead the bank and this again should be taken into consideration.

## **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.

In doing so, I have thought carefully about the additional points Mr A has made, but it doesn't persuade me to reach a different outcome to my provisional decision.

Mr A has said the complaint is being rejected based on the interactions he had with Revolut from the initial transaction interactions. Whereas he argues the line of questioning Revolut would have provided via live chat would have resulted in him responding honestly – which, in turn, would have uncovered the scam. He's also mentioned he wasn't being coached by the scammer or told to use remote access software until after the payments had already been made from his Revolut account, so he did not mislead Revolut but rather acted transparently.

Although I've considered this, in Mr A's complaint submission to our service, he explained that, once the scammer confirmed all the checks were complete, he instructed him to download remote access software to trade on his behalf and guide him through the process. Mr A went on to mention he opened the crypto exchange account as instructed by the scammer, and the scammer urged him to continue investing due to success of his initial investment.

This would indicate Mr A was being coached by the scammer from the outset, and so before the payments were made from his Revolut account – as he was required to download the software to make the trades on the crypto exchange which, accordingly, would've required funding from his Revolut account.

Mr A also mentioned the limited scam chat he has been able to provide, in his view, should indicate he wasn't being coached to mislead the bank. However, the Investigator asked Mr A a series of questions, which included, if he was being instructed by the scammer on what to say to the bank/EMI if they asked him about the payments? Mr A responded to say, yes, the scammer instructed him on what to select as the payment purpose.

While I appreciate Mr A feels he would have reacted differently to the questions Revolut would have asked him via the live chat, it's clear he was being coached by the scammers in what to say to circumvent any fraud prevention checks. This is evident from Mr A confirming he was being told by the scammers what payment purpose options to pick. And on two occasions he gave Revolut incorrect information – denying any remote-desktop software being used or that he was told by someone how to answer Revolut's questions.

Based on everything I have seen, I feel Mr A would have most likely shared any further questions Revolut asked with the scammer and they would have told him what to say in response, as they had been doing previously. So, I'm not persuaded even if Revolut had asked more probing questions regarding the destination of the payments, this would've resulted in the scam being revealed. So, I don't think any further intervention from Revolut would have resulted in Mr A not going ahead with the payments.

For the reasons I've mentioned above, I don't think Revolut could reasonably have prevented Mr A's loss. I therefore see no reason to depart from the provisional decision I issued.

## **My final decision**

My final decision is that I do not uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 2 September 2025.

Israr Ahmed  
**Ombudsman**