

The complaint

Mr T complains that Revolut Ltd will not reimburse the funds he lost to a scam.

Mr T is professionally represented, but for ease I have only referred to Mr T in this decision.

What happened

Mr T sold his business and was looking for an investment opportunity. He came across an advertisement on social media for what he thought was a genuine cryptocurrency investment. In December 2024, he sent funds totalling approximately £44,000 from his Revolut account on to the scammers. Mr T realised it had been a scam when he was asked to pay a large commission bill in order to withdraw his funds. He later reported the matter to Revolut but it did not reimburse his losses and it did not uphold his subsequent complaint.

Our Investigator did not think the complaint should be upheld. She thought Revolut ought to have intervened when Mr T exchanged funds to cryptocurrency, however our Investigator didn't think Mr T would have answered Revolut's questions truthfully.

Mr T did not accept the Investigator's opinion. He thinks that a member of staff would have been able to uncover the scam if they spoke to him. As an agreement could not be reached the complaint has been passed to me for 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.

I recognise that I have summarised this complaint in much less detail than has been provided. I want to reassure both parties that I have taken their detailed submissions into consideration and if I haven't mentioned something it isn't because I've ignored it. Rather, I've focussed on setting out what is key to my decision.

I understand that Mr T has been the victim of a very cruel and sophisticated scam and I'm sorry he has lost out because of it. However, I must put aside my feelings of sympathy and consider the complaint impartially. Having done so, I have reached the same outcome as the Investigator and for similar reasons. I know this will be a disappointment to Mr T, but I'll explain my reasons why.

Our service can't consider every complaint that's brought to us. The rules that say when we can look at a complaint are set out by the Financial Conduct Authority (FCA) in their dispute resolution rules (DISP rules). The payments involved cryptocurrency withdrawals whereby Mr T exchanged fiat money into cryptocurrency before sending it externally and unto the scammer. Cryptocurrency transactions are not a regulated activity so I find the sending of cryptocurrency externally is not something that I can consider.

However, I find Mr T's complaint to be broader than just the point at which the funds were sent externally. So, I have also considered whether any of the events leading up to the

sending of the cryptocurrency fall within the jurisdiction of this service. I find the accepting of deposits into Mr T's account a regulated or otherwise covered activity and the exchange of fiat money to cryptocurrency an ancillary activity. Therefore I'm satisfied this part of the payment journey is something that I can consider when it comes to the cryptocurrency withdrawals Mr T made.

There is no dispute that Mr T authorised the transactions. And in accordance with the Payment Services Regulations (2017) and the terms and conditions of the account, he is responsible for the loss. However, taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Revolut should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

By the end of 2022, Revolut ought fairly and reasonably to have recognised that its customers could be at an increased risk of fraud when using its services to purchase cryptocurrency and had appropriate systems for making checks and delivering warnings before it processed such transactions.

I find the transactions out of character when considering Mr T's typical account usage. Mr T did not have a history of cryptocurrency related transactions. The exchanges to cryptocurrency were larger than previous transactions on his account. Although there is evidence Mr T had used his account to exchange sterling into other currencies, these transactions were significantly lower in value. Considering his historic account activity, the value of the transactions and the known risks associated with cryptocurrency related purchases, I think Revolut ought reasonably to have been concerned that Mr T might be at an increased risk of financial harm from fraud or a scam and intervened to enquire about the circumstances surrounding the payments. It should then have provided warnings tailored to the risk the payments posed.

I have considered whether such intervention would have been effective to uncover the scam and prevent the loss Mr T incurred, and I am not persuaded it would. I say this because Revolut has shown it intervened in the cryptocurrency withdrawals Mr T made. However Mr T did not provide accurate answers to the questions asked. He stated he was not being guided by anyone which we know was not the case. He also stated that he was introduced to the investment opportunity by a friend or family member. I appreciate Mr T was not aware that he was falling victim to a scam but where it has not been provided with accurate information, it is difficult and at times impossible for Revolut to uncover a potential scam.

Mr T has only provided evidence of his initial conversations with the scammer; therefore it is difficult to know all that was discussed and what he was told by them. However it is clear from the evidence that has been provided to us and to Revolut at the time of reporting the scam, that Mr T was in communication with the scammer for some time before he made the first payment and they had developed a friendship. The conversations show that Mr T was being instructed by the scammer in making the transactions and he would actively seek their guidance to complete the transfers to the scam platform. I note that at the time Mr T reported the matter to Revolut he stated that the scammers told him warnings were usual when transferring funds for the first time. So I think it is likely the scammer guided him to bypass Revolut's warnings. I find Mr T was under the scammer's influence and determined to invest. In light of this and on balance, I think it is more likely than not Mr T would have followed guidance from the scammer if questioned further by a member of staff and its likely he would have continued to give misleading information. As such, I'm not persuaded Revolut could have uncovered the scam even if it intervened at the point Mr T exchanged the funds to cryptocurrency.

As I mentioned above, Revolut intervened when Mr T sent cryptocurrency externally, it

provided tailored warnings setting out hallmarks of a cryptocurrency investment scam. Revolut warned that “if anyone is telling you to ignore these warnings, they’re a scammer.” It also warned of opportunities advertised on social media, and scammers offering high returns in a short period of time. Mr T was advised to search for the firm on the FCA’s register. Had he searched the register as he said he did, it would have come to light that the FCA issued warnings that fraudsters were cloning the legitimate firm Mr T thought the investment was with. I find the scam Mr T fell victim to bore the features of a cryptocurrency scam that Revolut’s warnings highlighted; therefore I think they ought to have resonated with Mr T and caused him to stop making payments all together. However Mr T did not take heed of its warnings. It follows therefore that I am also not persuaded warnings during the exchange of funds to cryptocurrency would have impacted him positively. It is for these reasons I cannot fairly or reasonably hold Revolut responsible for the loss.

I have carefully considered all that has happened here. I appreciate Mr T lost a considerable sum of his savings, and I sympathise with him. But for me to uphold this complaint I need to be satisfied that any failings on its part would have had a material impact and I don’t find that to be the case here.

My final decision

For the reasons outlined above, 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 T to accept or reject my decision before 18 February 2026.

Oluwatobi Balogun
Ombudsman