

The complaint

Mr R complains that Revolut Ltd won't refund payments he made as a result of an investment scam.

What happened

Mr R was the victim of an investment scam, involving the following transactions with his newly opened Revolut account:

Date	Description	Debit
10 January 2024	Payment to a company, 'I'	-£2,000.00
11 January 2024	Card payment to a company, 'D'	-£1,885.73
12 January 2024	Card payment to a company, 'D'	-£2,984.14
19 January 2024	Card payment to Simplex, a cryptocurrency exchange	-£3,000.00
19 January 2024	Card Payment to Fxpro, a cryptocurrency exchange	-£3,000.00
19 January 2024	Card payment to a company, 'D'	-£2,402.47
23 January 2024	Refund from Fxpro	+£3,000.00
23 January 2024	Failed transfer in USD to an individual, 'T'	
23 January 2024	Card payment to Paybis, a cryptocurrency exchange	-£3,000.00
7 February 2024	Two declined card payments to Paybis for £4,950.00	
7 February 2024	Card payment to Paybis	-£4,950.00
7 February 2024	Card payment to Paybis	-£100.00
7-9 February 2024	Deposited 100 USDT and exchanged to GBP	
9 February 2024	Payment to Mr R's account	-£88.00

The scam also involved further payments from his Lloyds' account and business account with Barclays, but I've not included them above as they're not being considered as part of this complaint against Revolut.

To summarise what happened, Mr R explained he came across a company which I'll refer to as 'S' on social media, and he was contacted by a broker who said they'd help him invest on S's platform. To do this, Mr R was asked to make payments to various accounts and crypto wallets. From the crypto wallets, the money was exchanged and sent to wallet addresses the fraudster gave him. Mr R was led to believe these steps deposited funds on S's platform to invest. In fact, the platform and investment were fake.

Believing he'd made a profit, Mr R was persuaded to pay various fees so he could withdraw and exchange what he believed was genuine BUSD. Having tried to exchange this, Mr R received responses from crypto exchanges that it was a fake coin. But the fraudsters reassured him and convinced him he'd be able to exchange it when he'd paid all the 'liquidity fees'. To help with these, the fraudsters sent funds into his Mr R's business account, for him to ultimately send on as crypto. It seems this ultimately led to Barclays freezing his account and Mr R no longer making payments towards the scam.

To fund the scam, Mr R made payments from his personal accounts with Revolut and Lloyds, as well as his business account with Barclays. The records suggest all three firms intervened with the payments. Of note:

- Revolut declined payments to crypto exchanges on 19 January and 7 February 2024. Revolut said he would've been shown a series of written warnings related to investment scams. These told him to beware of social media promotions; to not give anyone remote access; and to do your crypto research.
- Mr R was also required to speak Revolut's agents via its in-app chat facility about the payments. In response to their questions, he said he was investing by himself on a crypto exchange having previously used another, and that he'd done it for some years. He also confirmed he wasn't being guided and hadn't downloaded remote access software. Revolut warned him about fraudsters' social media posts and articles, as well as taxes and fees, before telling him that he could continue by making the payment again.
- Lloyds spoke to Mr R on 16, 17 and 19 February 2024 about payments from his account to a crypto exchange. During these, Lloyds described some of the features of investment scams, which Mr R said didn't sound like his circumstances. Instead, he was investing by himself, and he'd been able to withdraw from his account. They also discussed the detection of remote access software – Mr R said no one had access, but he had the programme as his brother sometimes helped with his computer issues. He also explained that the money coming in was from his and his friend's businesses, which he gave the details of.
- In April 2024, it seems that Barclays met with Mr R twice about the payments coming in and out of his account – and highlighted concerns that he was being scammed and the crypto he had was fake.

In June 2024, Mr R raised a complaint to Revolut, via professional representatives, that it ought to have done more to protect him from the scam. Revolut didn't uphold his complaint, highlighting that he's responsible for payments made, and that it hadn't been able to recover his losses.

Unhappy with its response, Mr R brought his complaint to us. Our investigator also didn't uphold the complaint. They considered that Revolut intervened with the payments appropriately, and given that Lloyds' interventions didn't unravel the scam either, they didn't think Revolut could've stopped Mr R's losses even if it had done more.

Mr R's representatives disagreed. In summary:

- It didn't think Revolut or Lloyds' interventions were proportionate to the level of risk the payments posed.
- It highlighted Lloyds' lack of scrutiny with Mr R's answers. Namely that:
 - Mr R said he was borrowing money from his business, against the FCA's advice.
 - It didn't probe further payments despite Mr R saying it was his last.
 - It didn't reflect on Mr R not using mobile banking despite his use of an Electronic Money Institution (EMI).
 - Mr R seemed unsure about using crypto platforms. Coupled with the remote access detection and use of an EMI account, this was indicative of a scam.
 - He didn't understand what the regulation of crypto exchanges entailed.

Given the disagreement, the complaint has been passed to me to reach 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've reached the same conclusion as our investigator for the following

reasons.

While it's accepted Mr R made these payments due to being tricked by the scammer, it's also accepted he made the payments himself. So, bearing in mind that Revolut has a duty under the Payment Services Regulations (PSRs) to execute authorised payment instructions without undue delay, the starting position is that he is liable for these payments.

However, there are circumstances when it might be appropriate for Revolut to have taken additional steps before processing a payment. Such as when there are grounds to suspect the payment presented a fraud risk.

Here, it's clear that Revolut had such concerns with some of the payments – as it showed Mr R warnings and asked him about the circumstances of them via its in-app chat facility. But I don't think I need to decide whether this was the right time to have stepped in, or whether its interventions were good enough in the circumstances.

That's because even if I decided that Revolut should've done more, I must be persuaded that it was this mistake that caused Mr R's losses. And here, I'm not convinced that a reasonable intervention, which asked open and probing questions and provided relevant context, would've changed Mr R's mind about going ahead with these payments. I've considered:

- Both Revolut and Lloyds gave Mr R context around what investment scams looked like – highlighting aspects like social media promotions, the help of a broker and remote access software. Despite this matching his circumstances, Mr R said this didn't resonate with him. It follows that I don't think context around typical investment scams would've changed his mind.
- Over five interventions, Mr R consistently answered in response to Revolut and Lloyds' questions that he was investing by himself, and he was able to talk about various crypto exchanges and fluctuations in crypto. So I'm not convinced that open and probing questions would've revealed S's involvement and exposed the scam.
- In saying that, I've noted Mr R's representatives' points where they think Lloyds could've scrutinised his answers more. I think some of these points are arguably asking too much of a reasonable intervention. But in any event, I'm not convinced it would've clearly exposed a scam, as opposed to simply revealing some gaps in Mr R's knowledge of crypto or poor investment choices. For example, if Lloyds asked about further payments after he said it would be his last, he could've explained he changed his mind. Similarly, while borrowing money from his business might not be sensible or in line with the FCA's advice, I don't think it would've been enough to say he'd been scammed, when his other answers consistently suggested he was legitimately and independently investing in crypto.
- I have noted that through Barclays' meetings with Mr R, they were seemingly able to unravel parts of the scam, and it appears Mr R stopped making payments. But it seems this might have also coincided with him running out of money. Moreover, I'm mindful that Barclays had more to be suspicious of – as Mr R was receiving multiple credits from an unknown third party, which it seems he couldn't explain. And I'm conscious that the scam was further along by this stage, and Mr R had more to be suspicious of. It follows that I'm not persuaded here that Barclays' interventions meant that Revolut's or Lloyds' ought to have been successful – as I think they were based on different circumstances.
- Overall, it strikes me that Mr R seemed strongly taken in by the scam. Looking at his

conversations with the fraudster, he repeatedly referred to them for advice, and he was reassured by them in the presence of red flags, like being told by crypto exchanges his BUSD was fake. Indeed, I've noted that even with Barclays' later interventions, it's still not clear that Mr R believed the broker was to blame, such was his trust in them.

Taking this all into account, I'm not persuaded it's likely that a reasonable and proportionate intervention could've unravelled the scam and changed Mr R's mind about making these payments. That means that, even if Revolut didn't intervene when or how I'd have expected, I don't think it can be fairly be blamed for failing to stop his losses – as I think they would've happened anyway.

As well as whether Revolut ought to have prevented Mr R's losses, I've considered whether it ought to have done more to recover them. But I note that Revolut didn't hear back to its enquiry about what happened to the first payment he sent money to. And I don't think it could've reasonably recovered the card payments through chargeback claims, as these are subject to specific rules that I don't think the payments met. Of relevance here is the time that had passed and that the crypto exchanges were an intermediary who'd fulfilled their expected role.

I realise this will be upsetting news for Mr R, who's been the victim of a particularly elaborate and sophisticated scam. But for the reasons I've explained, I'm not persuaded that Revolut can be fairly told to put right his losses here.

My final decision

For the reasons I've explained, I don't uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 15 September 2025.

Emma Szkolar
Ombudsman