

## The complaint

Miss C complains that Revolut Ltd (Revolut) is refusing to refund her the amount she lost as the result of a scam.

Miss C is being represented by a third party. To keep things simple, I will refer to Miss C throughout my decision.

## What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Miss C has told us that she found an advertisement for an investment company I will call "X" on social media and made an enquiry by sending a message expressing her interest.

Miss C then received messages from X via a well-known messaging application. As part of the onboarding process Miss C was required to provide identification documents which helped convince her that X was genuine.

Miss C started making payments in relation to what she thought was a genuine investment and had access to a genuine looking investment platform. However, when Miss C tried to make a withdrawal, she was asked to make further payments first. Miss C's account was then frozen and communication with X ceased. Miss C then realised she had fallen victim to a scam.

Miss C has disputed 4 cryptocurrency withdrawals, one payment that was made direct to a cryptocurrency exchange, and one much larger payment made to another of her accounts with another provider, that was then used in relation to the 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 Miss C'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 Miss C's complaint relates to – namely, withdrawing the cryptocurrency and sending it on to the scammer. And so, I don't think her complaint in relation to these cryptocurrency payments relates to an activity covered by us.

I am mindful that Miss C exchanged her funds 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 Miss C'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 Miss C (through the provision of her 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 funds were converted into cryptocurrency. I can also look at payments Miss C made directly to a cryptocurrency exchange, and to her other account.

Our Investigator considered Miss C's complaint and didn't think it should be upheld. Miss C didn't agree, 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 Miss C has fallen victim to a cruel scam. The evidence provided by both Miss C and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Miss C lost due to the scam.

#### *Recovering the payments Miss C made*

The payments Miss C made within her account with Revolut in exchange for cryptocurrency, and those made to a cryptocurrency exchange directly, were legitimate payments and she was provided with cryptocurrency in exchange for the payments she made.

As it took further steps for those funds to end up in the hands of the scammer any attempt to recover the payments would have no prospects of success.

The last payment Miss C made in relation to the scam went to another account in her name with another provider. If any of those funds remained in Miss C's other account, they would remain within her control and not require recovery. In any event Miss C has confirmed that those funds were forwarded from her other account as part of the scam.

With the above in mind, I don't think Revolut had any reasonable options available to it to seek recovery of the payments Miss C has disputed.

#### *Should Revolut have reasonably prevented the payments Miss C made?*

It has been accepted that Miss C authorised the payments that were made from her account with Revolut, albeit on X's instruction. So, the starting point here is that Miss C 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 Miss C made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

I can see that Revolut did intervene on several occasions when the scam was taking place.

When Miss C attempted the first withdrawal of cryptocurrency on 29 December 2024 Revolut intervened. Miss C was presented with several screens.

Miss C was warned that the payment had been flagged as a potential scam and that it was important she provided truthful answers.

Miss C then confirmed:

- She understood that investments promoted by social media, or celebrities are almost always scams.
- She had discovered the investment opportunity via a friend or family member.
- She was not following any instructions.
- She wasn't engaged in an opportunity offering high returns.
- The investment opportunity had not come from someone she had just met.
- The payment was being made to an account she owned.
- She had carried out her own research.

Miss C was then presented with several warnings that included the following:

- "This could be a crypto scam – Stop crypto scams promise high returns in short periods of time and might even have professional looking online platforms."
- "Beware of social media promotions – Fraudsters use social media to promote fake investment opportunities, check online reviews to make sure it's legitimate."

The payment was then held to give Miss C an opportunity to carry out further research before making it. Miss C decided to continue with the payment.

Revolut intervened again when Miss C attempted to make two payments directly to a cryptocurrency exchange on 4 January 2025 for the values of £980. Miss C was presented with the same screens. On the first occasion Miss C cancelled the payment herself, on the second occasion Miss C continued with the payment.

Miss C was presented with the same warnings and answered Revolut's questions in the same way that she did when she made the payment on 29 December 2024.

Miss C attempted to make a further payment in relation to the scam to a cryptocurrency exchange on 6 January 2025. On this occasion the value of the payment was over £14,000.

Miss C was presented with a series of screens again and was warned the payment had a "99.96% higher scam risk than a typical transaction". Again, Miss C confirmed she understood the importance of answering Revolut's questions truthfully.

Miss C was then presented with a series of questions and confirmed:

- She had researched the company and found no mention of scams
- She was making the payment to her own account
- She had discovered the investment opportunity via a friend or family member
- It was not an opportunity offering high returns in a short period of time
- She was not following any instructions
- She understood that investments promoted by social media, or celebrities are almost always scams.
- She understood that if she was sending money to an account she didn't control as part of an investment it's likely she was being scammed

Miss C was presented with the same warnings she had been presented with when making the earlier payments I have outlined above. As Miss C wanted to continue with the payment she was required to speak to Revolut via its in-app chat facility.

Miss C confirmed during the chat that she was investing in cryptocurrency and using a different exchange to Revolut as the fees involved in buying cryptocurrency through Revolut were too high.

A call then took place between Miss C and Revolut. Miss C confirmed:

- No one had recently reached out to her on social media about an investment.
- She had five years' experience in cryptocurrency.
- She understood the risks.
- If Revolut could not make the payments, she would use a different provider.

As Miss C was unable to provide the information Revolut had requested Revolut refused to make the payment. Miss C then cancelled the payment and went on to move funds to an account she held with another provider that were then used in relation to the scam.

The answers Miss C provided to Revolut were not accurate. She had found the investment via social media, it had not been recommended by a friend or family member, she was following instructions and providing screenshots to X, and high returns had been discussed.

Despite giving incorrect answers Miss C was still presented with warnings that were relevant to the scam she was experiencing which she ignored, and when a larger payment was stopped and Miss C was warned again about the risk associated with the payment, she chose to move the funds to another account so she could continue to make the payment.

I think it could be argued that Revolut should have intervened further than it did. But even if Revolut did intervene further, I don't have enough to say that Miss C would have provided any more honest information than she did on multiple other occasions.

Providing incorrect information to Revolut would and did make it very difficult for Revolut to uncover the scam, and even when Revolut refused to make a payment Miss C found another method of making it outside of her Revolut account.

With the above in mind, I don't think Revolut missed an opportunity to prevent the scam and it is not responsible for Miss C's loss.

Miss C has further stated that English is not her first language. However, having listened to the call, and looking at the responses provided by Miss C, I'm confident she was able to understand and take part in the discussions successfully.

If Miss C was finding it difficult to understand any written communication, it would have been

reasonable for her to have sought support from either Revolut or friends and family, which I can't see she had the need for in any event.

**My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 2 January 2026.

Terry Woodham  
**Ombudsman**