

The complaint

Mr N complains that Revolut Ltd didn't do enough to protect him when he fell victim to a crypto investment scam.

What happened

The background to this complaint is familiar to both parties, so I'll only refer to some key events here.

Between November and December 2024, Mr N transferred over £100,000 in a mixture of transfers, card payments and crypto withdrawals from his Revolut account to what he believed was a legitimate investment. Unfortunately, he has since learned it was a scam.

Mr N has explained he received a call promoting a lucrative investment opportunity. He was told he could start investing with £100, and that he would be investing in gold, but that payments needed to be made in crypto. Having carried out his own checks, and persuaded it was a legitimate opportunity, Mr N decided to invest.

Mr N set up a number of accounts with legitimate crypto exchanges and made a series of card payments and transfers to those accounts. Mr N initially received some returns from his investment, which further persuaded him it was a legitimate opportunity. Believing his investment was performing well, Mr N was encouraged to enter into larger contracts, as he was told he could make returns of up to £3,000 a day. Having exhausted his own savings, and on the advice of scammers, Mr N funded many of the later payments with loans. Mr N also used Revolut's crypto exchange feature, transferring fiat currency into crypto, before withdrawing it to external wallet accounts.

Mr N started having concerns when he encountered problems withdrawing funds from the investment and was asked to pay additional fees. He realised he'd been scammed when the investment website was shut down and he was no longer able to access the app. Unable to withdraw any of his funds, Mr N asked Revolut for help recovering his lost funds.

Revolut refused. It noted it had asked Mr N to provide evidence of the scam to enable it to carry out an investigation but had not received a reply. It said as it had not been supplied with the relevant information it had carried out its investigation without the full details. It concluded that it had followed all correct procedures and would therefore not be upholding Mr N's complaint.

Unhappy with the outcome, Mr N referred his complaint to the Financial Ombudsman. Our Investigator explained why she was not persuaded Revolut could reasonably have been expected to prevent Mr N's loss. She noted that Revolut had intervened in several of Mr N's transactions, but that he had either provided inaccurate information or ignored strong tailored warnings, which ought to have resonated with him. In the circumstances, she was not persuaded that any proportionate intervention from Revolut would more likely than not have prevented Mr N's losses. She therefore concluded Revolut could not be fairly held responsible for his losses.

Mr N disagreed and asked for an Ombudsman's decision. He said losing £100,000 to the scam had a significant impact on his financial situation and wellbeing. He noted the scam had been very sophisticated and he had been misled and manipulated. He considered Revolut should have done more to protect him. He said Revolut had a duty to identify unusual behaviour and protect him from significant harm. He also said his vulnerability as a consumer had not been taken into consideration.

Our Investigator considered Mr N's additional points but was not persuaded to change her view. The complaint has therefore 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.

Having done so, I have reached the same conclusion as our Investigator and for largely the same reasons. I realise this is not the outcome Mr N was hoping for. To be clear, I am in no doubt he has fallen victim to a cruel and sophisticated scam, and I do not underestimate the impact suffering a loss like this, in these circumstances, would have had on his financial and mental wellbeing. But while I'm sympathetic to Mr N, I must consider whether Revolut is responsible for the loss he's suffered. Having carefully considered the available evidence, I'm not persuaded it is. Because of this, I don't think Revolut acted unfairly by not refunding his loss. I will explain why.

I'm aware that I've summarised this complaint and the relevant submissions briefly, in much less detail than has been provided, and in my own words. No discourtesy is intended by this.

In reaching my decision I've focussed on what I think is the heart of the matter here. So, if there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I consider is the fair and reasonable outcome. Our rules allow me to do this, reflecting the informal nature of our service as a free alternative to the courts.

As such, the purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by the parties to this complaint, and reach what I think is an independent, fair and reasonable decision, based on what I find to be the facts of the case.

Who is responsible for Mr N's loss?

It isn't in dispute that Mr N authorised the transactions in question. He is therefore presumed liable for his losses in the first instance. However, Revolut is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I must therefore decide if Revolut acted fairly and reasonably in its dealings with Mr N when he made the payments. Specifically, whether it should've done more than it did before processing them – and if it had, would that have made a difference to his ultimate scam loss.

I should also note that while Mr N's loss to the scam includes crypto withdrawals made directly from his Revolut account - which would not be an activity I could consider in isolation - I have considered them as part of Mr N's overall loss and when considering the broader circumstances of the scam.

Here, Revolut did carry out additional checks – in the form of automated questionnaires, in-app chats and a telephone call - before processing several of Mr N's payments to the scam. Its earliest intervention took place on 4 November 2024, when Mr N instructed his first crypto withdrawal from the account, which was also the first payment to the scam from his Revolut account.

Revolut informed Mr N that his transaction had been paused as it had been identified by its system as *"a potential scam"*. Mr N was asked if anyone was guiding him or rushing him to make the transaction. He selected *"No, I am not being guided"*. He was then asked if his crypto withdrawal was related to an investment. Mr N selected *"No, I'm not investing"* and then selected that he was *"transferring money to another account."* Based on his answers, Mr N was then presented with some generic scam warnings, his transaction was also paused for a further three hours to give him an opportunity to review the payment and carry out any further checks. Mr N decided to go ahead with the payment.

Revolut also intervened on Mr N's first card payment to a crypto exchange, again informing him that the payment had been blocked as a potential scam. Revolut warned him *"it's important you answer honestly – if you're being pressured to hide any details about this transaction, you could be being scammed. Please take this warning seriously"*. Mr N acknowledged this warning and a further warning which said he may not get his money back if he did not answer the questions truthfully. Mr N again denied that he was investing and selected that he was *"transferring money to another account"*. He also selected that he was transferring money to *"my account with another bank"*.

Given Revolut had recognised that Mr N was making a payment to a crypto exchange, and not a bank, I think it ought to have recognised the discrepancy in Mr N's answer and questioned him further on this point. But for the reasons I'll come on to, I'm not persuaded that further questioning at this point would most likely have prevented Mr N's loss.

Revolut intervened again on a £1,000 payment to another legitimate crypto exchange. Mr N was once again taken through an automated flow of questions and warnings, much like I have set out above, which again highlighted the possibility his payment related to a scam. He was asked to provide evidence that he owned and controlled the crypto account and that previous payments had credited it. Mr N was then contacted via Revolut's in-app chat, and subsequently by telephone by one of Revolut's customer safety team.

Revolut's agent explained that it was concerned about a recent change in how Mr N was using his Revolut account and asked why there had been a change. Mr N said he had started investing. He said he was using his Revolut account as it was easier than using his other bank. Revolut's agent asked who had asked him to make the transaction and if there was an investment manager or financial adviser involved. Mr N said no one was involved or pressuring him. Despite Mr N's answers, Revolut's agent advised that she believed Mr N was falling victim to an investment scam. She reminded Mr N again of the importance of answering truthfully and asked him another series of questions about the investment.

Mr N confirmed that the investment had been recommended by a childhood friend that he trusted; and that he had carried out his own research, having searched online and read reviews. Mr N was also able to answer general questions about crypto – such as the exchange rate for a specific coin – confidently and accurately. Mr N also denied that anyone had contacted him recently promising a good investment opportunity or telling him about an opportunity where he could make a lot of money. He also said he could guarantee that he would not transfer funds across to another person or another wallet. These answers were not accurate.

Revolut's agent then read out a warning which highlighted that Revolut had seen a drastic increase in investment-related scams, which were often initiated through phone calls, emails, or social media. It warned that scammers:

- may pose as financial advisers;
- pressure you to make quick decisions;
- instruct you to transfer money from your Revolut account to a legitimate crypto platform, purchase crypto, then transfer it to a third-party wallet where the scam occurs;
- create fake investment platforms showing false profits to gain trust;
- after allowing small withdrawals, they block access and demand fees or taxes, trapping victims in a cycle of sending more money;
- impersonate well-known institutions;
- guide your communication with Revolut.

The agent advised that if Mr N noticed any of those signs or had any other concerns, he should let Revolut know and cease contact with anyone who was guiding him. Having listened to the warnings, Mr N said he did not think he was being scammed.

Having carefully considered Revolut's various interventions, I think there were opportunities it could have gone further than it did and could have challenged the answers Mr N was giving. I think there were also further opportunities for it to intervene again – including further telephone calls - later in the scam when Mr N continued to make large value payments to crypto exchanges. But even if Revolut had questioned Mr N further, or had it intervened on more occasions, I'm not persuaded this would ultimately have prevented Mr N's loss. I'll explain why.

Looking at how the scam evolved - and considering Mr N's interactions with Revolut's interventions and warnings - it seems that Mr N was already heavily under the scammer's influence and felt convinced that the opportunity was legitimate from the beginning. Mr N has described how he was initially persuaded to invest because he could start with just £100, but within days he'd been persuaded to take out a £25,000 loan to further his investment (he later took out further borrowing). He also went on to transfer more than £100,000 to crypto on the advice of someone he hadn't met and who he'd only been in contact with for a short time.

It's also evident that Mr N consistently gave Revolut inaccurate information about his payments. While it is unclear whether this was under the scammer's direction or not, it seems the only plausible reason for providing inaccurate information was to circumvent Revolut's security measures to ensure the payments went through.

My intention in highlighting these points is not to place blame with Mr N. It is clear he was the victim in this situation, and I am in no doubt this was a highly sophisticated scam. I am also mindful of the powerful psychological manipulation employed by scammers, which make these scams so successful. But given how these scams are perpetrated, I must consider in these particular circumstances whether any proportionate intervention from Revolut would more likely than not have broken the spell of the scam and led to Mr N choosing not to go ahead with the payments. Looking at what happened I don't think it could.

During the call referred to above, Revolut's agent set out a very clear and detailed warning, highlighting a number of red flags which were present in what Mr N has reported happened to him. In the circumstances I would have expected this to resonate with Mr N and given him an opportunity to reflect on what he was being asked to do. But ultimately despite Revolut's stark warning, Mr N said he was not being scammed; he denied that anyone was helping

him or that he'd been contacted by someone offering good investment returns; and instead decided to go ahead with the payments.

Even if Revolut had asked Mr N more questions, or if its agents had spoken to him on other occasions, I'm not persuaded, on balance, Mr N would have responded any more positively to its warnings or decided to pause his payment while he made further enquiries.

I'm also mindful that Mr N had used another bank account to make some of the payments to the scam, he also used several crypto wallet accounts to buy and transfer crypto. Therefore, even if Revolut *had* placed further blocks or restrictions on Mr N's account, I think it's most likely he would have looked to make his payments another way. So, I think the payments would've most likely been made regardless of any intervention carried out by Revolut.

In summary, having carefully considered all the circumstances of this case, while I consider Revolut could have done more to intervene before processing some of Mr N's payments, I'm not ultimately persuaded, on balance, that it could have prevented any of his losses. It therefore follows that I don't think it is required to reimburse him.

Could Revolut have done any more to recover Mr N's loss?

I've considered whether, on being alerted to the scam, Revolut could've done anything to recover Mr N's losses, but I don't think it could.

The payments primarily went to legitimate crypto accounts in Mr N's own name. Any chargeback raised in respect of the card payments would have failed on the basis that the service had been provided – i.e. Mr N was provided with crypto, even if this was subsequently lost to the scam. And if any money remained in the crypto wallet accounts, Mr N would have had access to it and could have recovered it himself. There is no process available to recover the crypto withdrawn directly from Mr N's Revolut account. In the circumstances, I don't think there was anything further Revolut could do to recover the lost funds.

I know Mr N will be deeply disappointed by this outcome. But it would only be fair for me to direct Revolut to refund his losses if I thought it was responsible for them – and I'm not persuaded that this is the case. For the above reasons, I think Revolut has acted fairly and so I'm not going to tell them to do anything further.

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 N to accept or reject my decision before 15 January 2026.

Lisa De Noronha
Ombudsman