DRN-5780408

The complaint

Mr S complains that Revolut Ltd won't refund money he says he lost when he was the victim of an investment scam.

Mr S is represented by a firm I'll refer to as 'C'.

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 S has explained that he fell victim to a crypto investment scam in 2022, whereby he came across the opportunity with a company that I'll refer to as 'AG' from a social media advert. As part of this alleged scam, Mr S has said he purchased crypto – from a legitimate provider that I'll refer to as 'CB' – before forwarding it to AG's trading platform. The relevant transactions are:

Date	Transaction type	Amount
2 September 2022	Fund transfer	£10
5 September 2022	Fund transfer	£110
9 September 2022	Fund transfer	£4,400
12 September 2022	Fund transfer	£8,200
12 September 2022	Fund transfer	£5
6 October 2022	Fund transfer	£100
6 October 2022	Fund transfer	£6,000
6 October 2022	Fund transfer	£4,000
7 October 2022	Fund transfer	£2,800
9 October 2022	Fund transfer	£2,800
12 December 2022	Fund transfer	£7,300
12 December 2022	Fund transfer	£780

Mr S received credits from CB of £7,900.10 and £2,800 on 12 September and 7 October 2022 respectively.

Mr S also made several payments to a payee that I'll refer to as 'UEE'. Mr S has claimed these payments were made as part of the scam for services that weren't received – *"…a full course with a number of professionals and the ability to apply for the extend services such as a margin loans and daily market reviews under gold account status"*. The relevant transactions are:

Date	Transaction type	Amount (including fees)
26 August 2022	Fund transfer	£499.44
12 September 2022	Fund transfer	£6,915.01

12 September 2022	Fund transfer	£1,005.52

Mr S says he realised he'd been scammed when he wanted to withdraw some money, but the 'scammer' didn't respond to any of his communications.

C complained, on Mr S's behalf, to Revolut on 19 September 2023 saying the payments were made as part of a scam. They said Revolut didn't do enough to protect Mr S – as they ought to have identified the payments as unusual, carried out further checks before processing them and provided relevant scam warnings. If this had happened, Mr S's loss would've been avoided. To settle the complaint, C said Revolut should fully refund Mr S, pay 8% interest and £300 compensation.

Revolut didn't uphold the complaint, and it was referred to the Financial Ombudsman. Our Investigator initially upheld it in part, before rejecting it on the basis that Mr S hadn't evidenced proof of loss. This was because, despite asking Mr S to provide his crypto statements on numerous occasions, this hadn't been forthcoming. And the only crypto statements he had provided – for another crypto provider – showed crypto activity that wasn't consistent with the above transactions. Our Investigator therefore couldn't be satisfied Mr S had evidenced he had lost money to the alleged scam.

C disagreed with our Investigator. In short, they said:

- They've provided a document with the transactions relating to the matter, and provided proof Mr S has attempted to retrieve the crypto statements from CB.
- The crypto platforms are taking longer than expected to get back in touch with Mr S. They believe further evidence may change our Investigator's view and so, requested additional time to retrieve it.

C has since sent further email correspondence from CB to support Mr S's complaint.

The matter 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.

There isn't any dispute that Mr S authorised the transactions in question here. And in line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Revolut is also expected to process authorised payment instructions without undue delay. But they also have long-standing obligations to help protect customers from financial harm from fraud and scams. But those are predicated on there having been a loss suffered to a fraud or scam. So, to start, I've considered whether Mr S has suffered a loss as a result of falling victim to a scam.

C, on behalf of Mr S, has submitted a significant number of documents to the Financial Ombudsman in support of his claim that he's fallen victim to a scam – including correspondence with the alleged scammer(s), a support ticket logged with CB along with an email from CB confirming his account closure and detailing some account activity, correspondence with another crypto provider ('K'), and a crypto statement from a further crypto provider ('F').

I've given all of this information careful consideration. But while the correspondence Mr S has provided with the alleged scammer suggests he may have fallen victim to a scam, I don't think – based on what has been provided – that I can reasonably establish what loss, if any, he might have suffered. And without establishing the loss suffered, I can't fairly or reasonably direct Revolut to refund Mr S the disputed transactions.

While I understand C has said Mr S has had difficulty retrieving the crypto statements from CB, I'm satisfied he has had ample time and opportunity to do so. Mr S has however only been able to provide what appears to be a chain of emails from CB that confirm his account closure, and which details various transactions. But these only include deposits into his crypto account, an exchange of currencies and two GBP withdrawals (the £7,900.10 on 12 September 2022 to Mr S's Revolut account, but also a £578.97 on 5 December 2022 that went to an account Mr S holds with another banking provider). It doesn't therefore evidence that the funds Mr S sent to CB were forwarded on as part of a scam – only that he deposited funds and converted some of it into crypto.

Further to this, as part of his investigation, our Investigator asked Mr S about credits he received from other crypto providers (K and F) to his accounts held with Revolut and other banking providers. But while Mr S insists that he didn't receive any returns from the scam, he hasn't provided any explanation for these credits or anything to support why they were received. This, therefore, introduces doubt as to the true circumstances surrounding the payment activity on Mr S's accounts – and establishing what loss, if any, Mr S has suffered.

It's also unclear why Mr S has several accounts with crypto providers, given he claims he had no prior crypto experience, when the payments from his Revolut account went to CB and UEE (and so not K or F). And, as our Investigator said, the crypto activity Mr S has provided for his account with F doesn't correlate with the disputed payments from his Revolut account. Because of this, I cannot reasonably establish what happened to Mr S's funds after it was sent to CB.

I know Mr S will be disappointed by this outcome. But for the above reasons I'm not satisfied, from the information I've seen, that the disputed transactions were made as part of a scam or what loss, if any, has been suffered. I therefore don't think Revolut can be held responsible for Mr S's claimed loss.

On a final note, I've considered whether, on being alerted to the alleged scam, Revolut could reasonably have done anything more to recover Mr S's claimed loss, but I don't think they could. The funds Mr S sent to CB went to an account in his own name, and so I wouldn't reasonably expect recovery attempts in this situation (as Mr S had access to the funds himself). And Revolut has shown their recovery attempts for the UEE payments were unsuccessful – as, upon contacting the external beneficiary banks, one was unresponsive and the other two confirmed no funds remained.

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 S to accept or reject my decision before 30 September 2025.

Daniel O'Dell
Ombudsman