DRN-5796267

The complaint

Mr M complains that Revolut Ltd ('Revolut') failed to protect him when he fell victim to two separate cryptocurrency investment related scams.

Mr M is represented by solicitors in this complaint.

What happened

Mr M says he came across a social media advert relating to an investment opportunity which appeared to have celebrity endorsement. He says he clicked on a link and after this he received a call about investing into cryptocurrency and was assigned an account manager – scam 1.

Mr M says he carried out his due diligence before investing but was convinced by both the expertise of the alleged account manager and professionalism of the platform. Mr M was in regular contact with the scammer and continued to build up a relationship of trust. Eventually, Mr M began to invest and he was able to see his profits as well as make withdrawals.

Mr M then attempted to make further withdrawals only to be advised his trades had gone into negative equity and all of his money was gone.

Following this Mr M says he was contacted by investigators from another company that looked into scams in crypto and that they would be able to help him get his money back but he'd need to pay fees which were a percentage of his receivable amount – scam 2. He says he was coerced into sending them money and that he would receive a further call within a few days. However, when that call didn't occur Mr M contacted his wallet provider who advised him that the token he'd purchased was fake and that his money was gone. At this stage Mr M realised he'd been scammed.

Below is a table of the disputed transactions lost to each individual scam - including credits that were received.

	Transaction Date	Merchant/Payee	Type	Amount	Dr/Cr
1	30/05/2023	Revolut	Exchanged to ETH	£2,100.00	Dr
	30/05/2023	Payward Ltd	Topup	£8.02	Cr
	06/06/2023	Payward Ltd	Topup	£457.14	Cr
2	08/06/2023	Kraken Exchange	Card payment	£100.00	Dr
3	08/06/2023	Revolut	Exchanged to ETH	£1,900.00	Dr
4	09/06/2023	Revolut	Exchanged to ETH	£2,000.00	Dr
5	12/06/2023	Revolut	Exchanged to ETH	£2,000.00	Dr
6	12/06/2023	Kraken Exchange	Card payment	£3,900.00	Dr
7	13/06/2023	Revolut	Exchanged to ETH	£2,000.00	Dr
8	13/06/2023	Payward Ltd	Transfer	£6,000.00	Dr

	14/06/2023	Payward Ltd	Topup	£779.72	Cr
	14/08/2023	Payward Ltd	Topup	£772.55	Cr
9	19/09/2023	binance.com	Card payment	£5,000.00	Dr
10	20/09/2023	binance.com	Card payment	£5,000.00	Dr
11	20/09/2023	Revolut	Exchanged to ETH	£2,000.00	Dr
12	21/09/2023	Revolut	Exchanged to ETH	£2,000.00	Dr
			Total loss to scam 1	£31,982.57	Dr
	Date	**Merchant/Payee**	**Type**	**Amount**	**Dr/Cr**
13	29/09/2023	binance.com	Card payment	£5,000.00	Dr
14	29/09/2023	binance.com	Card payment	£2,000.00	Dr
15	29/09/2023	Bifinity	Card payment	£3,000.00	Dr
16	29/09/2023	Named individual	Transfer*	£3,826.60	Dr
17	29/09/2023	Named individual	Transfer*	£1,107.70	Dr
18	29/09/2023	Named individual	Transfer*	£3,826.60	Dr
19	29/09/2023	Named individual	Transfer*	£201.40	Dr
			Total loss to scam 2	£18,962.30	Dr
			*Transfers inclusive of fees		
			Total loss to both scams	£50,944.87	Dr

Mr M – through his solicitor, raised a complaint with Revolut holding them responsible for not preventing his losses to the two scams and requesting to be reimbursed in full as a result. Revolut requested further information from Mr M to investigate, but when this wasn't received it proceeded to reject his complaint. It also explained that chargeback claims were raised in relation to card payments made to the scam which were rejected on the grounds that the associated service is considered provided and therefore there are no rights for a dispute.

The complaint was then brought to this service with our investigator concluding Revolut ought to provide Mr M with a full refund of his losses from disputed transaction 6 – a card payment of £3,900 to Kraken Exchange on 12 June 2023 onwards, plus interest.

Mr M accepted our investigators findings, but Revolut disagreed. It raised some further points for consideration, but these did not alter our investigator's outcome. Revolut requested the complaint is passed to an ombudsman to decide.

I issued my provision decision on 20 August 2025. In this I said:

> ***Preliminary matters***
>
> *Although Revolut provided a response explaining why it disagreed with our investigator's findings, it hasn't replied to matters set out within the investigator's findings concerning our jurisdiction. For completeness, I agree that I can't consider cryptocurrency withdrawals in isolation given it's not a regulated activity. But the exchange of fiat money into cryptocurrency (as set out in the table of disputed transactions), which although not a regulated activity in itself, is one which our service would consider ancillary to payment services. This is in the same way we consider exchanging GBP into a foreign currency an ancillary activity.*

Therefore, given the nature of Mr M's complaint, I'm satisfied that I can consider whether Revolut did what it should have, in relation to his funds and account when he used Revolut to exchange his money from GBP to cryptocurrency.

What I've provisionally 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'm not minded to uphold this complaint. It's firstly important for me to acknowledge that other losses related to scam 1 also took place from other accounts Mr M had control of with other banks. These were the subject of separate complaints brought to this service and which were upheld resulting in redress being awarded. Those cases resolved at this service following agreement from both parties. Whilst I haven't considered the outcomes of those complaints, the available evidence across them are factors in deciding this complaint brought by Mr M against Revolut. And in considering the evidence as a whole when deciding this case, I do think Mr M was fortunate to have received those favourable outcomes. I'll explain the reasons why.

It isn't in dispute that Mr M authorised all of the disputed transactions in question here. He is therefore presumed liable for the loss 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'm in agreement with our investigator that Revolut ought to have been concerned about Mr M's activity and ought to have stepped in on concerns that he may be at a heightened risk of financial harm from fraud – considering, for example the values and sequence of the payments as well as to whom payments were being made to. But it's also important for me to explain that even in circumstances where Revolut should arguably have done more, it's still necessary to consider whether proportionate interventions would have made a difference – such that it can fairly and reasonably be held liable for Mr M's losses. Having carefully considered the evidence, and on balance, I'm not persuaded any further intervention by Revolut would have prevented Mr M's losses.

In Mr M's submissions through his solicitor, it was stated Mr M 'acted diligently by Googling the name of the scam company but he found nothing to arouse any suspicion at the time of the scam. In addition to this, there was an average 4-star rating on Trust Pilot which he believed looked well founded'. Mr M also reported the same to another bank.

Mr M's solicitor state that the scam was perpetrated by a company I'll refer to as C. However, the supporting evidence shows that for at least scam 1, Mr M was dealing with a company I'll refer to as K. Mr M's solicitor is specific, they state there was an average 4-star rating on Trust Pilot. However, the information available in the public domain does not support this. What the publicly available information does show me is that there were reviews published by ten individuals prior to Mr M making his first payment toward scam 1. Nine of those individual reviews were rated 1-star. The single individual positive review is lacking in much detail, whereas other negative reviews provide significant detail as to the issues they faced with K – which were reflective of some of the issues Mr M evidently later faced. These negative reviews *also include commentary referencing K on multiple occasions being a scam and to 'Stay away'. Whilst I don't rule out the possibility there may have been other reviews available at the time - which might have since been deleted or removed, the negative reviews were and still are present.*

Mr M also had interactions with another bank during scam 1. One such interaction occurred when a freeze was placed on the account when he attempted to first fund his Revolut account with £1,000. And during this interaction Mr M advises the bank that he has a potential property purchase going through and this (the account freeze) could be a serious issue so he needs to get this issue resolved. Mr M also sought to raise a complaint about the account freeze and the time taken for it to be removed. In the process of the freeze being removed, the other bank do notify Mr M 'Just to let you know, if you've provided us with any misinformation across our chat that results in your sending a fraudulent payment, we will not be able to refund you for the money lost'. Mr M was also required to provide a written confirmation to the statements provided by the other bank – which he did. Following this, Mr M proceeds to fund his Revolut account with further payments which are all lost to scam 1. There's no evidence his accounts show he then proceeded with a potential property purchase. On balance I'm satisfied the reasoning provided by Mr M wasn't truthful and that this was a means to allow him to continue funding payments towards the scam.

Furthermore, Revolut has provided evidence it had concerns regarding disputed transaction 8 and that 'this transfer may be a scam'. Mr M was required to engage in app providing the purpose of the payment. In doing so, Mr M selected Crypto Currency following which he was presented with a series of warning screens. I'm satisfied that aspects of those warning screens ought to have resonated with Mr M, in particular those that stated 'If someone has asked you to download any software (like AnyDesk), this could be a scam!'. Mr M's submissions via his solicitor confirm Anydesk was software he downloaded to his devices at the scammers instruction.

*Revolut has also provided evidence that it had concerns when Mr M was making payments towards scam 2 (specifically disputed transaction 16) and he's required to engage in app where he's advised '**Something doesn't look right.** Your transaction has been flagged by our system as a potential scam. To continue, we need to ask you some questions'. Mr M is required to acknowledge the statement 'I may not be able to get my money back if I do not answer the following questions truthfully'. And when he's required to select the payment purpose selects 'Pay a family member or friend'. He goes on to select that he is 'Paying back for something they purchased on my behalf' and that the payee account details provided were done so 'face to face'.*

*Nevertheless, Revolut proceeded to provide Mr M with numerous warnings. And although he misled Revolut with the purpose of his payment, there were aspects of the warnings that still ought to have resonated with him when they occurred during scam 2. One of the warnings in particular states '**Be wary of urgency.** Scammers will convince you the transfer is urgent and ask you to act quickly. Stop and take a moment to think'. Following this, Mr M was required to respond to a Risk agreement that said 'Revolut has warned me that this payment is suspicious and I understand the risk of losing my money'. But Mr M proceeded to send further payments without pause on 29 September 2023.*

Mr M has also provided copies of chats he held with the scammers. They cover the entire period the disputed transactions were made for both scams. And whilst its evident a large number of Mr M's interactions with the scammer took place during telephone calls, what I've seen from those chats is Mr M regularly providing updates to the scammers when there are issues. These include Mr M notifying the scammer *that his card was unfrozen and what was happening when one of the crypto currency providers payments failed. We also see the scammer providing Mr M with instructions as to what he needs to tell a financial business so as to avoid them identifying any use of a 'middle man'. And when Mr M's account with one cryptocurrency provider is closed, he's instructed to open accounts with another cryptocurrency provider instead to continue facilitating payments to the scams – which Mr M does.*

I can only ask Revolut to reimburse Mr M if I find that any wrongdoing on its part caused his loss. And where something didn't happen that should have, I'm required to make this decision based on the balance of probabilities; that is, what I find is more likely than not to have happened if things had gone as they should. Whilst Mr M was honest in one interaction with Revolut when asked to provide a payment purpose, I can't ignore that he did mislead another bank and later misled Revolut. I also can't ignore that Revolut had provided Mr M with a warning in relation to cryptocurrency scams and the information presented to him ought to have resonated with him as there were circumstances he was falling victim to i.e. 'If someone has asked you to download any software (like AnyDesk), this could be a scam!'

There were other warnings that also ought to have resonated with Mr M as I've already referenced above and the reviews in the public domain (which Mr M says formed a part of his due diligence before parting with any money) ought to have concerned him as to the legitimacy of K. Its evident Mr M was heavily under the spell of the scammer, so much so that he was also willing to later introduce family and friends to K as well as write up a five-star review for K on Trust Pilot.

I'm not persuaded had Revolut intervened any further, that Mr M's losses would have been prevented to either scam. I'm not convinced Mr M wouldn't still have been guided to find a way around the truth for payments to go through nor do I rule out the possibility of him being guided to find other ways (another new account for example) to make payments if needed.

Whilst Mr M has undoubtedly been the victim of a cruel scam, I can only uphold his complaint if I'm satisfied failings by Revolut made a material difference to what happened. For the reasons given above and on balance, I'm not convinced that they did.

I've also thought about what Revolut did once informed Mr M's payments had been made as the result of a scam. As for the majority of the disputed transactions, Mr M transferred/ made payments to accounts in his name. From there, he purchased crypto assets and moved them into a wallet address of his choosing (albeit upon the scammers instructions). As such there wouldn't have been any realistic prospect of recovery for any of the disputed transactions. In regards to the final four disputed transactions which were payments made to individuals, Revolut has confirmed that these payments were card transfers made using the Visa Direct and Mastercard Moneysend payment options. It's my understanding that currently there's no clear mechanism to request a recall of funds sent in this manner.

I invited further comments from both parties.

Revolut didn't respond.

Mr M's representatives responded with comments. They said they firmly believe Revolut have failed to adequately protect Mr M and should therefore be held at least partially liable for the losses. It considered that had Revolut intervened effectively, it would have had an impact on Mr M's decision-making. It also highlighted that reviews on TrustPilot can be manipulated and that it wouldn't have been possible for Mr M to utilise the same response he provided to a third-party bank that he was purchasing a property as the payments were for cryptocurrency, and this narrative ought to have raised alarm bells. It also considered Mr M's responses to questions he was asked ought to have been red flags for payments to cryptocurrency providers and that Revolut should have placed a phone call to robustly intervene. In summary, they believe Revolut failed to intervene in a robust manner and missed an opportunity to uncover the scam. And although they recognise Mr M provided certain responses to other third-party banks, Revolut as the experts should have been able to identify the likelihood of a scam. As such they believe that had Revolut intervened effectively, the losses would have been prevented, so it would be fair and reasonable to expect them to be held at least partially liable.

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'd like to thank Mr M's representatives for their comments. I appreciate the strength of feelings they have on the matter. But in making my provisional findings, I had already considered their points made. In regards to their comments about TrustPilot I did comment that *whilst I don't rule out the possibility there may have been other reviews available at the time - which might have since been deleted or removed, the negative reviews were and still are present.* And as I also highlighted, *its evident Mr M was heavily under the spell of the scammer, so much so that he was also willing to later introduce family and friends to K as well as write up a five-star review for K on Trust Pilot*.

I can only ask Revolut to reimburse Mr M if I find that any wrongdoing on its part caused his loss. That concept is one his representative should be very familiar with. Yet it has not sought to substantiate its arguments as to why better questioning would have resulted in Mr M acting any differently given the level of coaching taking place. I would also point out that when Mr M provided the payment purpose as *'Pay a family member or friend'* this occurred during a payment that was being made to a named individual which wasn't identifiably to a cryptocurrency provider. As such I'm not satisfied that it those circumstances Mr M's responses ought to have warranted intervention through a phone call.

In any event, it remains that I'm not convinced Mr M wouldn't still have been guided to find a way around the truth for payments to go through nor do I rule out the possibility of him being guided to find other ways (another new account for example) to make payments if needed.

As such, the appeal submitted by Mr M's representatives doesn't change the outcome I reached in my provisional decision.

My final decision

For the reasons given above, and in my provisional decision, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 October 2025.

Mark O'Connor
Ombudsman