

The complaint

Mr T complains that Revolut Ltd ('Revolut') won't refund the money he lost when he fell victim to a scam.

What happened

What Mr T says

Mr T was contacted by a supposed recruiter after he left some basic information on an advert he saw online while looking for remote work.

Mr T was told that he would need to complete tasks like giving shops 5-star ratings and completing surveys. Mr T had to purchase the tasks using cryptocurrency but was assured that when he completed tasks he'd receive his money back along with commission earned.

Mr T used his Revolut card to purchase cryptocurrency. He received the cryptocurrency into wallets that he controlled and then sent it on to the scammers.

I have set out the payments Mr T made to known cryptocurrency providers in the table below.

Payment	Date	Payee	Payment type	Amount
1	27 May 2024	A (crypto wallet)	Card	£20
2	27 May 2024	SBK (crypto wallet)	Card	£500
3	27 May 2024	SBM (crypto wallet)	Card	£650
4	27 May 2024	SBM (crypto wallet)	Card	£700
5	30 May 2024	SBM (crypto wallet)	Card	£3,200
6	5 June 2024	M (crypto wallet)	Card	£2,200
			Total loss	£7,270

Mr T realised he was the victim of a scam when he couldn't withdraw the money he'd sent, or the commission he'd earned.

Mr T first reported the scam to Revolut on 8 October 2024, at the same time as making a complaint via a professional representative. Mr T said Revolut hadn't done enough to protect him from the scam.

What Revolut says

Revolut said it wasn't liable for Mr T's loss and there were no chargeback rights. Revolut also said Mr T authorised the payments, it gave strong warnings to Mr T according to the payment purpose he gave, and Mr T didn't do enough due diligence and was grossly negligent.

Mr T didn't agree and felt Revolut hadn't done enough to protect him. Unhappy with the outcome, Mr T brought the complaint to the Financial Ombudsman Service.

Our investigation so far

The Investigator who considered this complaint didn't recommend that it be upheld. He said Revolut should have recognised the payment of £3,200 indicated a risk of financial harm and that Revolut should have done more to establish what the payment was for. But the Investigator wasn't persuaded that doing so would have broken the spell and made a difference in this case. This was because when Revolut had asked Mr T questions and given him warnings before, and after, this payment he went ahead with the payments anyway.

In terms of recovery, the Investigator noted that Revolut wasn't able to recover the funds because Mr T received the service from the cryptocurrency providers his funds went to – so Revolut had acted reasonably.

Mr T didn't agree with the Investigator's findings and feels Revolut didn't do enough to protect him. Mr T sked for an Ombudsman to make a final decision, so the complaint has been passed to me.

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.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

But that's not the end of the story. Taking into account relevant law, regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud. This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts

as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene

In this case, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr T when he authorised the payments from his account or whether it could have done more before processing them.

Should Revolut have recognised that Mr T was at risk of financial harm from fraud?

It's not in dispute that Mr T has fallen victim to a cruel scam, nor that he authorised the card payments to purchase cryptocurrency.

Looking at the payments Mr T made, I don't think Revolut needed to intervene on payments 1-4. I don't think the payments were sufficiently unusual or suspicious for Revolut to have been concerned that Mr T may be falling victim to a scam or was in danger of financial harm. I accept that Mr T hadn't made card payments to cryptocurrency providers before, and that it was a significant amount that he spent in one day. However, I don't think they were so unusual or high value that they indicated potential harm. And as I've mentioned below, Revolut asked Mr T about the payment of £500 and showed him proportionate warnings based on his answers. I think this made the payments of £650 and £700 later on the same day less suspicious to Revolut.

However, by the payment of £3,200 on 30 May 2024, I think Revolut should have had concerns. While all the payments being disputed were to known cryptocurrency providers, that payment was much larger than the earlier payments and significantly larger than Mr T's usual spending on the account to that point. Together with the earlier payments, it was also a significant ramping up of spending to cryptocurrency providers – which is a common sign of a scam and very unusual for Mr T.

Given the above factors, I think the £3,200 payment should have triggered Revolut's fraud detection systems – prompting it to intervene before releasing the transaction. I am mindful of the fact that the payment occurred after the Consumer Duty came into force. Taking this together with the factors explained above – it's my view that a proportionate intervention would have been a scam warning tailored to the likely cryptocurrency related scam Mr T was at risk of. For example, a warning asking a series of automated questions designed to narrow down the type of cryptocurrency related scam risk associated with the payment transaction Mr T was making.

What did Revolut do to warn Mr T?

When Mr T first attempted to pay £500 on 27 May 2024, Revolut declined it and asked him about the purpose of the payment and whether anyone was prompting or guiding him. Mr T chose the option that the payment was for an investment, despite being given the option to choose "*To complete a task on a job hiring process*". Mr T also told Revolut that he wasn't being guided. Based on the answers he gave, Mr T was shown five warning slides relevant to common investment scams. Mr T accepted the warnings given and made the payment.

When Mr T attempted to pay £2,200 on 4 June 2024, Revolut declined the payment and spoke to him in an in-app chat. Revolut told Mr T it had paused the payment to protect him from a potential scam. During the conversation he was asked several probing questions about what the payment was for, how he'd come across the platforms he was making the payments to, what research he'd done, whether he was being guided and asked for evidence that he had access to the cryptocurrency wallets he was making payments to. Revolut also asked why he was sending money to different cryptocurrency providers.

Mr T told Revolut he wasn't being guided, that he'd found the platform through friends and research on YouTube, that he was buying cryptocurrency for savings and wasn't intending to send it anywhere else. He told Revolut no one had asked him to make the payment and provided screenshots of the cryptocurrency account to prove he had access to it. He also said he'd been investing for one year and had been able to withdraw previous deposits as well as giving reasons for using different cryptocurrency platforms.

During the chat with Mr T, Revolut gave him warnings about investment scams. While this wasn't directly relevant to the scam Mr T was falling victim to, the warnings did include common red flags that were relevant, such as being guided to open cryptocurrency accounts, being added to WhatsApp groups and being guided on how to answer Revolut's questions. Mr T acknowledged the warnings and went ahead with the payment.

Would an intervention from Revolut have made a difference?

On the balance of probabilities, I'm persuaded Mr T would have proceeded with the £3,200 payment regardless of Revolut intervening and providing a warning (such as the one described above).

Though I haven't been provided with all the chats with the scammers, Mr T has said he was coached by the scammer through the entire process and that he was told selecting "investment" was the correct option. Mr T said the scammers told him that if he chose a different option it would have been dishonest and his Revolut account might be closed – preying on his desperation and vulnerability. Mr T said he didn't think he was misleading the bank and thought he was being honest. Mr T has also said he feels the warnings he received were not impactful and didn't appear any different to generic warnings when sending genuine payments.

I don't blame Mr T for what happened as he was being coached and manipulated by the scammer who promised him a high return at a time he was trying to improve his financial situation. But when Revolut did intervene, Mr T wasn't entirely honest, which prevented Revolut's ability to narrow down the scam risk and provide him with a warning that would have been more tailored to the scam he was actually falling victim to.

Considering he has confirmed he was being coached by the scammer throughout, on the balance of probabilities, I think it's most likely that Mr T would have answered any questions Revolut asked at the point of the £3,200 payment in the same way he actually did before, and after, that payment. It follows that I think Mr T would likely have engaged with any warnings he was shown in the same way too and would have wanted to continue to make the payment.

Mr T has said at the time he felt very vulnerable and was stressed and panicked at the thought of getting into trouble with Revolut and losing the money he'd already paid into the job opportunity. I'm very sorry to hear how Mr T felt at the time and that he's lost a lot of money because of a cruel scam. But I can't say Revolut was or should have been aware that he was vulnerable or made any special adjustments for him at the time the payments were made.

I understand that Revolut attempted to recover the funds on behalf of Mr T – but it was unsuccessful as Mr T had purchased genuine cryptocurrency on legitimate platforms that Mr T had access to and control of. So, there would be nothing more Revolut could have done to recover the funds.

I am very sorry for the situation Mr T now finds himself in, I know the situation has been very difficult and upsetting. But I think I think Revolut acted fairly and I can't ask it to refund him when I don't think it has done anything wrong.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 2 January 2026.

Mike Southgate
Ombudsman