

The complaint

Mr L complains that Revolut Ltd didn't do enough to protect him from the financial harm caused by an investment scam, or to help him recover the money once he'd reported the scam to it.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr L was introduced by a friend to an opportunity to invest in cryptocurrency through Company H and Company C. He understood he could make returns of up to four times the initial investment, which didn't strike him as too good to be true. He was given a detailed document which indicated that if they were unable to pay rewards, they'd liquidate assets to provide the rewards. He also saw testimonials from others claiming to have made good profits.

Mr L first purchased cryptocurrency through a cryptocurrency exchange company I'll refer to as "B" and then load it onto an online wallet. Between 1 March 2022 and 1 May 2022, he made 21 card payments to B totalling £22,227.86. He also made payments from Bank D.

He realised he'd been scammed when he was unable to withdraw his profits and was unable to access the website. He complained to Revolut with the assistance of a representative who said it was widely accepted that H was operating a scam, and that there was an FCA warning dated 23 March 2021 and other publications confirming the same. They said Revolut failed to provide effective warnings, and that it should refund the scam payments and pay him £1,000 compensation for poor service. But Revolut refused to refund any of the money he'd lost and so Mr L complained to this service.

Responding to the complaint, Revolut argued it didn't know what 'typical' account usage was because the account was new. It said the account was used to make card payments to Mr L's legitimate cryptocurrency account and once the funds were deposited to the beneficiary account, the service was considered to have been provided. So, there were no chargeback rights.

It said the transactions were self-to-self transactions and Mr L was topping up his Revolut account with funds from his main bank account and then transferring them to another account in his name, which was the final stage before he lost control of the funds. So, the scam didn't occur on Revolut's platform. Finally, it said Mr L was investing his life savings, yet he failed to do sufficient due diligence, which might have prevented his loss.

Our investigator recommended that the complaint should be upheld. He thought Revolut should have been concerned about Payment 10 which Mr L made on 4 April 2022. He thought a proportionate response would have been for it to provide a written warning about cryptocurrency investment scams and had it done so, Mr L's loss would have been prevented. He thought Revolut should refund the money Mr L had from the tenth payment

onwards, but that the settlement should be reduced by 50% for contributory negligence because some basic online research would have uncovered the scam.

Revolut has asked for the complaint to be reviewed by an Ombudsman. It has argued that the payments were self-to-self transactions, so the fraudulent activity didn't occur on the Revolut platform. It has also explained that it is an ("EMI") and, typically, this type of account is opened and used to facilitate payments of a specific purpose and often not used as a main account. So, the payments weren't out of character or unexpected.

My provisional findings

I issued a provisional decision on 24 September 2025, in which I stated as follows:

I'm satisfied Mr L 'authorised' the payments for the purposes of the of the Payment Services Regulations 2017 ('the Regulations'), in force at the time. So, although he didn't intend the money to go to scammers, under the Regulations, and under the terms and conditions of his bank account, Mr L is presumed liable for the loss in the first instance.

Where a customer has been the victim of a scam, it may sometimes be fair and reasonable for the bank to reimburse them even though they authorised the payment. There is an FCA warning dated 23 March 2021 which stated that individuals should avoid dealing with H and beware of scams. So, I'm satisfied H was operating a scam.

However, I also need to be satisfied that Mr L has lost money to this scam and, unfortunately, I don't consider he has produced sufficient evidence to persuade me that he has.

Mr H's representative has submitted material relating to H, but this doesn't show a link between H and the payments Mr L is disputing. I have seen evidence that Mr L made investments with H from September 2021 to June 2022, and he has provided a plausible explanation as to why there are no messages between himself and anyone from H or C.

However, he didn't report the scam to Revolut until 24 June 2024 and, crucially, there's no evidence of funds leaving the cryptocurrency account. So, I don't consider there is enough evidence to show Mr L lost funds to either scam, and therefore I'm not minded to uphold this complaint.

Developments

Responding to my provisional decision, Mr L's representative sought clarity on how they could show he'd lost money to a scam, but that haven't made any further comments or produced any additional evidence in that regard. Instead, they have commented that our investigators recommendation that Revolut should refund 50% of the loss was fair.

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've considered the addition comments raised on Mr L's behalf, but I'm afraid the findings in my final decision will remain the same as the findings in my provisional decision.

The representative has made several comments about the outcome reached by our investigator, but they haven't made any comments or provided further evidence relevant to

the issue of whether Mr L lost money to a scam. Therefore I maintain there's not enough evidence that he lost his funds to a scam.

My final 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 L to accept or reject my decision before 19 November 2025.

Carolyn Bonnell
Ombudsman