

The complaint

Mr R is complaining about Revolut Ltd because it declined to refund money he lost as a result of fraud.

What happened

Sadly, Mr R fell victim to a cruel investment scam after seeing an online advert that appeared to be endorsed by a well-known celebrity. He made an initial 'investment' using a card. He was then contacted by a scammer posing as an adviser who encouraged him to invest more.

As part of the scam, Mr R was advised to open accounts with Revolut and a cryptocurrency exchange in his own name. And in May and June 2025 he used his Revolut account to transfer the following amounts, which had initially been transferred to Revolut from his bank, to his cryptocurrency account:

No.	Date	Amount £
1	17 May	450
2	19 May	50
3	19 May	440
4	26 May	2,300
5	30 May	4,700
6	4 June	14,000
7	10 June	14,000

Once these transfers were complete it seems the currency purchased was transferred to the scammers. The last two payments were funded by personal loans taken by Mr R and paid into his bank account.

Mr R has been clear that only the first two of these payments were for investment purposes. He says the rest were '*verification fees*' that he was told he needed to pay to access his money. By way of example, Mr R has provided a copy of a message telling him he needed to pay taxes totalling £15,600 after which £54,600 would be returned to his cryptocurrency account.

Our investigator didn't recommend the complaint be upheld. He was satisfied Revolut took appropriate steps to question the payments and warn about scams and that based on the answers Mr R gave, it was entitled to process them.

Mr R didn't accept the investigator's assessment. He's explained that he was manipulated by the scammers to provide inaccurate information about the payments when asked and believed he'd lose his money if he didn't go along with this. He also says that as the later payments were for fees, he wasn't wrong to say they weren't for investment purposes. He also believes Revolut should have told him that scammers often ask for '*verification fees*' and that the scam would have been uncovered if it had done so.

The complaint has now been referred to me for review.

Mr R has also made complaints about the card provider he used to make the initial payment and the bank he used to transfer money to Revolut. I've addressed these concerns in separate decisions. He's also complained about a lender from which he borrowed money to fund the scam and a credit reference agency and these are being considered by my colleagues.

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've reached the same overall conclusions as the investigator. Mr R has made extensive submissions but I haven't necessarily commented on every single point raised, instead concentrating on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

After reviewing the evidence provided across all of his complaints, including his communications with the scammers, I think it's clear that Mr R has been the victim of a scam and that these payments were lost to the fake investment scheme.

There's no dispute that Mr R authorised these payments. In broad terms, the starting position at law is that an Electronic Money Institution (EMI) such as Revolut is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Revolut also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr R.

The payment

One of the key features of a Revolut account is that it facilitates payments that sometimes involve large amounts and/or the purchase of cryptocurrency. I must take into account that many similar payment instructions it receives will be entirely legitimate. I'm also conscious this was a new account and there was no history of past activity against which these payments might have looked suspicious. Finally, I also need to consider its responsibility to make payments promptly.

This notwithstanding, Revolut knew the payments were going to a beneficiary associated with facilitating payments to cryptocurrency and other high-risk investments. Losses to

cryptocurrency fraud reached record levels in 2022 and, by the end of that year, many high street banks had placed restrictions or additional friction on cryptocurrency purchases owing to the elevated fraud risk. So, by the time these payments took place, Revolut should have recognised that payments to cryptocurrency carried a higher risk of being associated with fraud.

Having considered what Revolut knew about payments 1 to 4 at the time, I'm not persuaded it ought to have been concerned about them. I'm conscious that the amounts involved were relatively low and I don't think a pattern of payments consistent with many known scams had fully emerged at this stage. So I don't find there were sufficient grounds for Revolut to suspect Mr R was at risk of harm from fraud and I can't reasonably say it was at fault for processing the payments in line with his instructions.

By the time of payment 5, however, I think a pattern of rapid and increasing payments consistent with many types of investment scam had begun to emerge. Revolut appears to have recognised this and contacted Mr R by phone to discuss the reasons for the payment.

I've listened to a recording of the call and reviewed Mr R's answers to the questionnaire that preceded it. After doing so, it's clear he didn't provide accurate information in response to the questions he was asked. While he did acknowledge the payments were associated with an investment, he specifically said he wasn't investing in cryptocurrency (the third-party payment processor used did facilitate other types of payment so this could have been true), that no one had contacted him offering an investment opportunity, that no one was telling or guiding him to make this payment, and that he hadn't been told by anyone to download screensharing software (including the specific software he's told us he did download so the scammer could assist him with setting up his fake investment account).

The agent also asked Mr R if he'd been asked to pay any unexpected fees, to which he said no. In answer to one of his points, I'm aware the agent didn't specifically refer to '*verification fees*' but I wouldn't have expected them to. Scammers call these fees by many different names and it wouldn't be reasonable to have expected the agent to know or list all of these. But by referring to fees, I think the agent asked a question that Mr R should have recognised applied to his own situation.

Despite him not providing accurate information, Revolut's agent did conclude and warn Mr R that there was a high risk he was falling victim to an investment scam. They also said Revolut was seeing many similar cases and that there's a very small chance of getting any money back once it's been sent. During the call, they also outlined many common features of investment scams, including that scammers often promote fake investments offering high returns online, sometimes with faked celebrity endorsements, and often demand fees before victims can access their money. The call ended with Mr R being asked to acknowledge that there was a high risk of losing his money if this turned out to be a scam, which he did.

On balance, I'm persuaded Revolut asked appropriate questions about the payment and was able to successfully identify the type of scam that could be taking place and provide appropriate tailored warnings that should have resonated with Mr R. Once it had done this and he confirmed he still wished to go ahead, I'm satisfied it was entitled to complete the payment in line with his instructions.

When Mr R first attempted to make payment 6, Revolut again intervened and one of its agents called to ask the reason for the payment. He referred them back to the answers he'd given on the previous call. The agent explained that Revolut had seen many others scammed in similar circumstances and asked if he needed more time to research the investment he was making. Mr R said he didn't. The call concluded with him again being asked to acknowledge that there was a high risk of losing his money if this turned out to be a

scam, which he did. Such was his confidence in the scheme that he said he wouldn't come back to Revolut for help if he was being scammed.

Revolut's agent didn't provide detailed warnings about investment scams in the same way as the agent had on the previous call. But those warnings hadn't altered Mr R's decision during that call (only a day earlier) and I've no reason to think repeating these here would have made a difference either.

Revolut didn't intervene in the same way in connection with payment 7. But I've no reason to think further questioning of this payment would have been any more successful in preventing it. In saying this, I'm conscious the bank Mr R used to transfer money to Revolut also spoke to him about two of those transfers and he was equally unclear about the circumstances in which the payments were being made.

I want to be clear that it's not my intention to suggest Mr R is to blame for what happened in any way. He fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why he acted in the way he did. But my role is to consider the actions of Revolut and, having done so, I'm not persuaded these were the cause of his losses.

Recovery of funds

I've also looked at whether Revolut could or should have done more to try and recover Mr R's losses once it was aware that the payments were the result of fraud.

These payments aren't covered by the industry's reimbursement scheme for authorised push payment (APP) fraud as they went to another account in Mr R's own name. And in terms of recovery, the bank could only request this money be returned by the cryptocurrency exchange. But by the time the scam was reported, it appears the money had already been moved on and anything that was left would still have been available for him to access.

In the circumstances, I don't think anything Revolut could have done differently would likely have led to these payments being successfully recovered.

In conclusion

I recognise Mr R has been the victim of a cruel scam and I'm sorry he lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I think Revolut broadly acted fairly and reasonably in its dealings with him and I don't think any further intervention would have made a difference to the eventual outcome. So I won't be telling it to make any refund.

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 R to accept or reject my decision before 5 February 2026.

James Biles
Ombudsman