

The complaint

Miss S complains that Revolut Ltd (Revolut) is refusing to refund her the amount she lost as the result of a scam.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Miss S has told us that she was contacted via a well-known messaging application by an individual claiming to work for a company I will call "X". X claimed to be in partnership with a well-known social media platform and offered Miss S a remoted working role to engage with online content. Miss S says she was paid £8 upfront which gave her confidence X was genuine.

Miss S was then required to communicate via another messaging application and spoke to what appeared to be several representatives of X. Miss S was introduced to more lucrative pre-paid tasks which required her to make payments upfront in return for higher returns.

Miss S says she was guided by X through a series of cryptocurrency-based tasks to recover losses. Despite following X's instructions Miss S was repeatedly told she had made errors which required her to make further payments.

What I can and can't look into in relation to this complaint

Our service can't consider all complaints that are referred to us. The rules under which we operate are set out in the Financial Conduct Authority's Handbook and are collectively known as the DISP rules. We can only consider complaints that fall within our jurisdiction, in line with these rules.

Particularly relevant to Miss S's complaint is DISP 2.2 which states:

"DISP 2.2: Which complaints can be dealt with under the Financial Ombudsman Service?

2.2.1 The scope of the Financial Ombudsman Service's two jurisdictions depends on:

(1) the type of activity to which the complaint relates..."

Those activities are then listed in DISP 2.3 (although I will not list all of them here). We can only consider complaints that relate to an act or omission by a financial business in carrying out one or more of the activities listed in DISP 2.3.

Cryptocurrency isn't electronic money or fiat currency according to the Financial Conduct Authority. Instead, it classifies cryptocurrency, and similar cryptocurrency-assets, as 'exchange tokens'. The operation of cryptocurrency services isn't currently regulated by the financial regulator in the UK.

There are no activities listed in DISP 2.3 which would cover the activity this part of Miss S's

complaint relates to – namely, withdrawing the cryptocurrency and sending it on to the scammer. And so, I don't think her complaint in relation to the cryptocurrency payments relates to an activity covered by us.

I am mindful that Miss S deposited fiat currency to her Revolut account and then exchanged this into the cryptocurrency which was withdrawn and ultimately lost to the scam. But the sending of the cryptocurrency was provided separately from the provision of Miss S's main e-money account. In the circumstances, I don't consider Revolut's provision of sending cryptocurrency services to be sufficiently closely linked to its provision of payment services to Miss S (through the provision of her e-money account) that it should be deemed ancillary to this. So, I'm satisfied that this service is unable to investigate the withdrawal of cryptocurrency here.

What I can look at, is whether Revolut should have intervened when the deposits into Miss S's account were made and when the funds were converted into cryptocurrency.

The following is a table showing exchanges Miss S made into cryptocurrency within her Revolut account in relation to the scam:

| <u>Payment</u> | <u>Date</u> | <u>Exchanged</u> | <u>Amount</u> |
|----------------|---------------|------------------|---------------|
| 1 | 16 April 2025 | USDT | £280 |
| 2 | 16 April 2025 | USDT | £780 |
| 3 | 16 April 2025 | USDT | £500 |
| 4 | 17 April 2025 | USDT | £620 |

Our Investigator considered Miss S's complaint and didn't think it should be upheld. Miss S didn't agree, so this complaint 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.

It has not been disputed that Miss S has fallen victim to a cruel scam. The evidence provided by both Miss S and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Miss S lost due to the scam.

Recovering the payments Miss S made

Miss S made the above exchanges into cryptocurrency. As Cryptocurrency was provided to Miss S in exchange for the payments she made, and it took further steps (cryptocurrency withdrawals) for those funds to end up in the hands of the scammer Revolut would not be able to seek recovery of the exchanges.

Should Revolut have reasonably prevented the payments Miss S made?

It has been accepted that Miss S authorised the payments that were made from her account with Revolut, albeit on X's instruction. So, the starting point here is that Miss S is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have been aware of the scam and intervened

when Miss S made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

Deposits

In general, I wouldn't expect Revolut to have concerns about deposits being made into a customer's account and interventions to take place Unless they had money-laundering concerns which it didn't have in on this occasion. So, I don't think it was unreasonable that Revolut didn't intervene when payments were made into Miss S's account.

Exchanges to cryptocurrency within the Revolut platform

It would not be reasonable for me to say that Revolut should intervene every time a customer makes a payment from their account. The exchanges Miss S made into cryptocurrency were each of relatively low values and combined were not so significant that I think they should have caused Revolut to have concerns prompting it to intervene.

However, I can see that Revolut did intervene when Miss S made cryptocurrency withdrawals. Miss S confirmed:

- She understood that investments promoted on social media were almost always scams.
- She had discovered the investment opportunity via a friend or family member.
- She understood if she was being pressured, she was likely being scammed.
- She was not following any sort of instructions.
- If she was being promised high returns in a short space of time, she was likely being scammed.
- The investment was not being offered by someone she had just met.
- The transaction was to an account she owned.
- She understood the importance of carrying out independent research.
- She had checked the company on the FCA website.

The information provided by Miss S was not accurate she had not discovered the opportunity via a friend or family member, she was following instructions and she had just met the person offering the opportunity.

In response to our Investigator's view Miss S stated:

"I would also point out that Revolut did in fact flag and delay some of these transactions at the time, and I was coached by the scammer on how to answer Revolut's security questions. This demonstrates that warning signs were present, but Revolut failed to escalate their checks or provide sufficient scam warnings."

I think this further shows that Miss S was being coached on how to incorrectly answer Revolut's questions to bypass its security and was willing to take X's guidance.

So even if Revolut did intervene when Miss S was making the cryptocurrency exchanges (which I have already explained, it was not required to). I think Miss S would most likely have continued to be coached by X and given inaccurate information as she did when withdrawing the cryptocurrency in relation to the scam.

Providing inaccurate information would and did make it difficult for Revolut to uncover the scam that was taking place.

With the above in mind, I don't think Revolut missed an opportunity to prevent the scam and

it is not responsible for Miss S's loss.

Miss S has further explained that she was vulnerable at the time of the scam with a health concern and financial strains. While I accept this must have been a difficult time for Miss S, I have not seen anything to show Revolut had been made aware of any issues that may have caused Miss S to be unable to make sound financial decisions, and therefore I am unable to say it should have considered these when the payments in relation to the scam were made.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 15 January 2026.

Terry Woodham
Ombudsman