

The complaint

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

Mrs M is being represented by a third party. To keep things simple, I will refer to Mrs M throughout my decision.

What happened

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

In summary, Mrs M has told us that she found an investment company that I will call "X" on social media advertising an investment opportunity in cryptocurrency.

Mrs M contacted X for more information and continued to discuss the investment opportunity via a well-known messaging application and via telephone calls.

Mrs M then made multiple payments in relation to what she thought was a genuine investment. As part of the process Mrs M was required to download remote access software to her device.

Having made multiple payments Mrs M attempted to make a withdrawal from the investment but was told she would have to make further payments first and realised she had fallen victim to a scam.

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 Mrs M'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 Mrs M'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 Mrs M 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 Mrs M'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 Mrs M (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 Mrs M's account were made and when the funds were converted into cryptocurrency. I can also look at payments Mrs M made directly to a cryptocurrency exchange.

Mrs M made multiple payments to a cryptocurrency exchange directly and multiple exchanges into cryptocurrency from within her Revolut account (in total more than 70 payments). Mrs M also made around 60 cryptocurrency withdrawals.

While I have looked at all the payments made in relation to the scam, I have not listed them here.

Our Investigator considered Mrs M's complaint and didn't think it should be upheld. Mrs M disagreed, 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 Mrs M has fallen victim to a cruel scam. The evidence provided by both Mrs M and Revolut Ltd sets out what happened. What is in dispute is whether Revolut should refund the money Mrs M lost due to the scam.

Recovering the payments Mrs M made

The payments Mrs M made in relation to the scam were all genuine payments made in exchange for cryptocurrency that was provided to her. As it took further steps for those funds to end up in the hands of the scammer any attempt to recover the payments would have no prospects of success.

Should Revolut have reasonably prevented the payments Mrs M made?

It has been accepted that Mrs M authorised the payments that were made from her account with Revolut, albeit on X's instruction. So, the starting point here is that Mrs M 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 Mrs M 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 it had money-laundering concerns which it didn't have on this occasion. So, I don't think it was unreasonable that Revolut didn't intervene when payments were made into Mrs M's account.

Payments to cryptocurrency exchanges and payments made in exchange for cryptocurrency from within the Revolut platform

Mrs M was able to make multiple successful payments in relation to the scam. While some of the payments were not so high in value, I think Revolut should have had concerns when Mrs M made an exchange of £5,000 into cryptocurrency on 5 June 2024 and it should have intervened. I say this because the payment was clearly being made in relation to cryptocurrency (a type of payment that has a higher associated risk) and was for a higher value than payments Mrs M had historically made from her account.

I think that a proportionate intervention would have been for Revolut to have provided a tailored written warning relevant to cryptocurrency investment scams that covered off some of the key features of that type of scam.

But I don't think an intervention like that I've explained above, or any further intervention would have made a difference. I will explain why.

Revolut did intervene on multiple occasions when Mrs M attempted to make payments in relation to the scam.

When Mrs M attempted an initial payment to a cryptocurrency exchange on 20 May 2024 (before I think it needed to intervene), Mrs M was shown various screens within Revolut's app.

Mrs M was warned about the possibility of the payment she was making being a scam. Mrs M confirmed that she recognised the payment, no one was guiding her, and that the payment was being made for "something else", despite the option "as part of an investment" being available.

Mrs M was then presented with several warning screens stating:

- "Moving funds to a crypto account? Only make crypto payments to accounts you control. Otherwise, you may lose your money"
- "Don't give anyone remote access, Scammers may ask you to install software like TeamViewer and AnyDesk to view your screen. Uninstall such software at once"
- "Never ignore these warnings, Scammers will tell you to ignore warnings. If you have been told to ignore these warnings then stop, it's a scam"

Mrs M then had to agree that she understood the risk associated with the payment she was attempting and wait for some time to consider the payment before it could be made.

Mrs M then attempted 5 more payments to a cryptocurrency exchange before the first

payment had been cleared. As the first payment hadn't been cleared when these payments were attempted, they were automatically declined.

Mrs M went on to make a cryptocurrency withdrawal on 5 June 2024, and Revolut intervened again.

Mrs M was provided with several screens. Mrs M was warned that the payment she was attempting was "99.96% higher risk than a typical transaction" and was further warned about the importance of providing honest information.

Mrs M then confirmed that no one was pressuring her to make the payment, and she was making the payment by herself. Mrs M also confirmed no one was telling her to ignore warnings.

Mrs M again confirmed the reason for the payment to be "transferring money to my other account" despite the more accurate option of "as part of an investment" being available. When Mrs M was asked what type of account she was making the payment to she selected "other" when the option of "My investment account e.g. a crypto wallet or account on another investment platform" was an option.

Revolut attempted to intervene further by forcing Mrs M through to its in-app chat facility. Mrs M then decided not to proceed with the payment explaining the process was too complicated.

Revolut intervened on several other occasions throughout the time the scam was taking place.

Mrs M confirmed on multiple occasions that:

- She had not been asked to install software
- The funds were going to an account within her control
- No one was pressuring her to make the payments
- She was doing the transactions herself

Mrs M also ignored multiple warnings like those highlighted above and confirmed she understood the risk she was taking by continuing with the payments.

Mrs M had not been honest when answering Revolut's questions. Mrs M had not selected the most accurate options available, and she had downloaded remote access software as part of the investment process.

Providing incorrect answers in response to Revolut's questions would and did make it extremely difficult for Revolut to uncover the scam that was taking place.

Even if Revolut had intervened further than it did like Mrs M has said that it should have, I don't have enough to say that Mrs M would have provided any more honest answers than she did on the multiple occasions that Revolut intervened or have taken notice of the warnings it may have provided.

So, with the above in mind, I don't think Revolut missed an opportunity to prevent the scam and it is not responsible for Mrs M's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 29 December 2025.

Terry Woodham
Ombudsman