

The complaint

Mr E complains that Revolut Ltd won't refund money he says he lost to an investment scam.

Mr E is professionally represented, however, to keep things simple, I'll refer to Mr E throughout my decision.

What happened

The details of this complaint are well known to both parties, so I won't repeat them all again here.

However, Mr E complains that he sent several payments from his Revolut account to what he thought was a genuine crypto investment opportunity. Mr E realised he had been a victim of a scam when he attempted to make a withdrawal and he was asked to pay various withdrawal and tax fees to access his funds.

Mr E complained to Revolut, and his complaint wasn't upheld. Unhappy with Revolut's response, he raised the matter with the Ombudsman Service. One of our Investigators looked into the complaint and didn't uphold it. The Investigator said the withdrawal of crypto from Mr E's account wasn't a regulated activity. But the acceptance of funds and then exchange of GBP to USDT was an activity that this service had the power to investigate. The Investigator went on to say, Revolut gave appropriate warnings during the scam journey and as Mr E didn't take on board the warnings and chose to continue making the payments, he didn't think any further intervention would have made a difference, as it was clear Mr E was firmly under the spell of the scammers.

As an agreement could not be reached, the complaint has been passed to me for a final decision.

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.

Our service can't consider every complaint that's brought to us. The rules that say when we can look at a complaint are set by the Financial Conduct Authority in their dispute resolution rules (DISP rules). Here Mr E exchanged funds into cryptocurrency before sending them externally. Cryptocurrency transactions are not a regulated activity so I find the sending of cryptocurrency externally is not something that I can consider.

However, I have considered the events leading up to the sending of the funds externally. I find the accepting of deposits into Mr E's account a regulated or otherwise covered activity and the exchange of fiat money to cryptocurrency an ancillary activity. Therefore, I'm satisfied this part of the payment journey is something that I can consider. Having done so, I agree with the outcome our Investigator reached and for similar reasons. I know this will be disappointing to Mr E but I'll explain my reasons why.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Revolut is expected to process authorised payment instructions without undue delay. But it also has long-standing obligations to help protect customers from financial harm from fraud and scams.

Considering the relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time - Revolut should fairly and reasonably:

- Have been monitoring accounts 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 (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which payment service providers are generally more familiar with than the average customer.
- In some circumstances, take additional steps, or make additional checks, before processing a payment, or in some cases decline it altogether, to help protect customers from the possibility of financial harm from fraud.
- 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.

So, I've thought about whether the transactions should have highlighted to Revolut that Mr E might be at a heightened risk of financial harm from fraud.

Having reviewed Mr E's previous account activity which shows he had been using his Revolut account for crypto purchases since February 2021, which was in line with 'crypto' as one of the reasons Mr E declared at account opening, I don't agree the exchanges Mr E carried out were highly unusual or out of character for Revolut to have intervened. However, I can see Revolut did intervene on numerous occasions throughout the period in question and asked Mr E about the purpose of the payments on various occasions and provided him with warnings about potential scams he could be falling victim to based on his responses.

Revolut rely on customers providing accurate responses to the questions they ask, so they can provide them with tailored scam warnings to help them identify key hallmarks of scams which they may be falling victim to. Mr E said he was transferring funds to his own account on four transactions when asked by Revolut. So, Revolut provided him with safe account scam warnings on each occasion, and although these warnings were not relevant to Mr E's situation, these warnings were shown in response to the answers Mr E provided, so they are reliant on customers providing accurate responses to the questions asked. Mr E also said on one occasion he was transferring funds for an investment. So, he was shown warnings about investment scams, as well as identifying the key hallmarks to consider in crypto investment scams.

Additionally, I've also reviewed the communication between Mr E and the scammer, and it is clear he was firmly under the spell of the scammer. So, I don't think even if Revolut did provide further intervention, this would have prevented Mr E from going ahead with the transactions. And so, it wouldn't be fair or reasonable for me to hold Revolut liable for his losses. Also, the sending of crypto isn't a payment that can be reversed. So, there were no further means for Revolut to try and recover the crypto withdrawals.

I appreciate Mr E will be disappointed by this outcome. But it would only be fair for me to direct Revolut to refund his loss if I thought they were responsible – and I'm not persuaded

that this was the case. For the above reasons, I think Revolut have acted fairly and so I'm not going to tell them to do anything further.

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 E to accept or reject my decision before 4 March 2026.

Israr Ahmed
Ombudsman