

The complaint

Ms C complains that Revolut Ltd didn't do enough to protect her from the financial harm caused by an investment scam, or to help her recover the money once she'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.

Ms C came across an opportunity to invest in cryptocurrency with a company I'll refer to as "B" and between 19 March 2025 and 10 July 2025, made four cryptocurrency withdrawals to a scammer's wallet from her Revolut account.

Ms C realised she'd been scammed when she was asked to pay fees to withdraw her profits. She reported the scam to Revolut, but it refused to refund any of the money she'd lost stating it had given sufficient warnings. But Ms C wasn't satisfied and so she complained to this service, arguing that it should have done more to protect her.

Responding to the complaint, Revolut argued that the transfer of cryptocurrency is not regulated by the Financial Conduct Authority ("FCA") and so our service doesn't have jurisdiction to hear a complaint about a loss resulting from such an activity.

Our investigator agreed that the transfer of cryptocurrency isn't a regulated activity, but he explained that we can look at the acceptance of deposits into the account, and the use of the account to exchange fiat currency into cryptocurrency.

But he didn't think the complaint should be upheld. He explained that he didn't think any of the payments into the account were unusual because there were a few, infrequent payments, the largest of which was for £1,630, the activity didn't match any known fraud patterns, and there wouldn't have been any concerns about potential money laundering. So, he didn't think Revolut did anything wrong when it accepted the deposits into the account.

Likewise, he didn't think Revolut ought to have been concerned about the cryptocurrency exchanges because they were relatively low value transactions, and they didn't occur in quick succession. So, he didn't think Revolut missed an opportunity to prevent Ms C's loss. He further explained that cryptocurrency transactions are not reversible or traceable. And he didn't think Ms C was entitled to any compensation.

Ms C has asked for her complaint to be reviewed by an Ombudsman.

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 conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Ms C has been the victim of a cruel scam. I know she

feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

Jurisdiction

Our service can consider a wide variety of complaints about financial services, but we can't consider all the matters referred to us. The Dispute Resolution Rules (DISP) set out the complaints that fall within our remit and are found in the Financial Conduct Authority's (FCA) handbook. Ms C's complaint arises from his customer relationship with a UK based firm, which is regulated by the FCA. But there are other factors which affect whether our service can consider a complaint – and DISP includes limits on the activities we can review.

According to the rules, we can consider a complaint under our Compulsory Jurisdiction if it relates to an act or omission by a firm in carrying on one or more of the activities listed under DISP 2.3. Having reviewed those activities, I've decided we can't look into the part of Ms C's complaint which relates to the transfer or withdrawal of cryptocurrency from the Revolut platform. I hope the below explanation of why is helpful.

Ms C had an account with Revolut which allowed her to trade in cryptocurrency. But the operation of cryptocurrency services isn't currently a regulated activity, or one that's listed under DISP 2.3 – so we aren't able to look into complaints about it. Cryptocurrency isn't electronic money or 'fiat currency' according to the FCA – instead it classifies cryptocurrency, and similar crypto-assets, as 'exchange tokens'. So, while Revolut is also a Payment Services provider, the withdrawal of cryptocurrency doesn't concern e-money or a payment account – and so doesn't fall under our remit as being about a payment service.

However, our service can look into complaints about activities that are ancillary to the ones covered by us (those listed under DISP 2.3). The steps leading up to the transfer/withdrawal of cryptocurrency also includes both the acceptance of funds into Ms C's account and then a subsequent request for Revolut to exchange fiat money into cryptocurrency.

I am satisfied that these earlier steps amount to payment services, and in the case of the exchanges, at the very least an activity which is ancillary to payment services. Given the broad nature of this complaint, I'm satisfied that the exchange to cryptocurrency is an activity our service can consider.

For the reasons I've given, our service doesn't have the remit to consider the element of Ms C's complaint which relates to the transfer/withdrawal of cryptocurrency from the Revolut platform.

The part of the complaint I can consider

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

There's no dispute this was a scam, but although Ms C didn't intend her money to go to scammers, she did authorise the disputed payments. Revolut is expected to process payments and withdrawals that a customer authorises it to make, but where the 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.

Prevention

In broad terms, the starting position at law is that an Electronic Money Institution (“EMI”) such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in March 2025 that Revolut should:

- have been monitoring accounts and any payments made or received 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 firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

I’ve thought about whether Revolut could have done more to prevent the scam from occurring altogether. It ought to fairly and reasonably be alert to fraud and scams and these payments were part of a wider scam, so I need to consider whether it ought to have intervened to warn Ms C when she tried to make the payments. If there are unusual or suspicious payments on an account, I’d expect Revolut to intervene with a view to protecting Ms C from financial harm due to fraud.

I agree with our investigator that Revolut didn’t need to intervene in respect of any of the deposits into the account, because they were infrequent and low value, so there would have been no concerns. And the cryptocurrency exchanges were low value and spaced out over several months, so they weren’t concerning either.

Because of this, I don’t think Revolut missed any opportunities to intervene.

Compensation

The main cause for the upset was the scammer who persuaded Ms C to part with her funds. I haven’t found any errors or delays to Revolut’s investigation, so I don’t think she is entitled to any compensation.

I’m sorry to hear Ms C has lost money and the effect this has had on her. But for the reasons I’ve explained, I don’t think Revolut is to blame for this and so I can’t fairly tell it to do anything further to resolve this complaint.

My final decision

For the reasons I’ve outlined above, my final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 27 January 2026.

Carolyn Bonnell
Ombudsman