

## The complaint

Mr J complains that Revolut Ltd (Revolut) is refusing to refund him the amount he 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, Mr J has told us that he was invited by his landlord to take part in an investment with a company I will call "X". Mr J agreed to invest and paid funds into the investment. As a result, a 16-month contract was drawn up.

As the contract was due to conclude Mr J received communication from X providing excuses as to why he could not withdraw his money.

Mr J then realised that he had fallen victim to a scam.

Mr J has disputed the following payment that shows as a debit card payment on his statement going directly to a cryptocurrency exchange:

Payment	Date	Payee	Payment Method	Amount
1	12 January 2022	Cro	Debit Card	£2,247.01

Mr J has told us that he made a payment from an account he held elsewhere to his Revolut account where he purchased cryptocurrency before moving it to a cryptocurrency account.

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

### *Recovering the payment Mr J made*

Mr J's account statement shows he made the above disputed payment using his debit card directly to a cryptocurrency exchange. Mr J says he purchased cryptocurrency from his Revolut account before forwarding them to his cryptocurrency account held with another provider. In any event Revolut would not be able to recover his funds. I will explain why:

If Mr J made the disputed payment directly to a cryptocurrency exchange the payment would

have been made to a legitimate exchange made in exchange for cryptocurrency that would have been provided to Mr J. As Mr J would have been provided with cryptocurrency in exchange for the payment, and it would have taken further steps for the funds to end up in the hands of the scammer, any attempts to recover the payment would have had no prospects of success.

In any event when payments are made by card the only recovery option Revolut has is to request a chargeback.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders. The card scheme operator ultimately helps settle disputes that can't be resolved between the merchant and the cardholder.

Such arbitration is subject to the rules of the scheme, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid and potentially succeed. Time limits also apply.

Unfortunately, Mr J made his complaint to Revolut outside of the allowed time to raise a chargeback and therefore Revolut has been unable to attempt a chargeback for the payment Mr J made into the scam.

In a similar way, if Mr J had exchanged funds within his Revolut account to cryptocurrency he would have been provided with cryptocurrency in exchange for the payment he made, and it would have taken further steps (a cryptocurrency withdrawal) for the funds to end up with the scammer. As Mr J would have been provided with cryptocurrency in exchange for the payment he made, Revolut would not be able to recover the payment.

In this scenario, as explained above, Mr J would have withdrawn the cryptocurrency to a cryptocurrency account. These types of payments (cryptocurrency withdrawals) are not covered by our jurisdiction, and we are unable to decide on them.

Mr J has also explained that he thinks he should receive a refund of the payment he has disputed under the Consumer Duty and PSR rules.

Unfortunately, the Consumer Duty did not apply to services like the one Mr J has complained about until July 2024.

The relevant code at the time the payment was made was the CRM Code. The CRM Code is a voluntary Code. It therefore only applies to businesses that are signed up or have publicly committed to acting within the spirit of the CRM Code. Revolut was not a signatory of the CRM code at the time Mr J made the disputed payment and therefore it is not bound by it.

In addition to the above, the CRM Code doesn't apply to card payments and only applies when domestic payments (as the result of a scam) are sent to another person. In either scenario here I am satisfied that the CRM Code would not apply.

I have also not seen any evidence that Revolut was made aware of any vulnerabilities Mr J had at the time he made the payment that would have meant he was unable to make sound financial decisions. So, it would not be reasonable for me to say that Revolut should have taken these into account when the payment was made.

*Should Revolut have reasonably prevented the payment Mr J made?*

It has been accepted that Mr J authorised the payment that was made from his account with Revolut, albeit on X's instruction. So, the starting point here is that Mr J 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 Mr J made the payment. And if it had intervened, would it have been able to prevent the scam taking place.

It would not be reasonable of me to say that Revolut should intervene every time a customer makes a payment from their account. Considering the value of the payment Mr J has disputed (whether it was an internal exchange, or a card payment), I don't think it was of such a significant value that Revolut should have had concerns that Mr J was at risk of financial harm, or that it should have intervened.

As I don't think it was unreasonable that Revolut didn't intervene when Mr J made the disputed payment, I can't reasonably say that Revolut missed an opportunity to uncover the scam or prevent Mr J's loss.

I understand that losing these funds to the scam had a significant impact on Mr J, and Mr J has faced difficult challenges. But Mr J lost his funds as the result of a scam and it is the scammers that are responsible. On this occasion it would not be fair for me to ask Revolut to refund Mr J's loss as I don't think it acted unreasonably when the payment was made and it is not responsible for Mr J's loss.

### **My final decision**

I don't uphold this complaint.

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

Terry Woodham  
**Ombudsman**