

## The complaint

Mr A complains that Revolut Ltd ('Revolut') won't reimburse the funds he lost when he fell victim to a scam.

## What happened

Mr A says that he came across a video that advertised trading using AI. He was interested and clicked a link to provide his contact details. Soon after, Mr A received a call from someone who said he was a broker who worked for a company I'll call M in this decision. Mr A didn't know at the time, but the broker was a scammer.

Mr A was promised returns of 15-20%, with M taking an 11% commission from the profits. After the first two payments Mr A was able to make a small withdrawal to his cryptocurrency wallet. He was then persuaded to upgrade to a VIP package. I have set out in the table below all the payments Mr A made on the instructions of the scammer.

Transaction	Date	Amount	Payee	Method
1	26/06/23	£4,455.35 (including fee)	Crypto 1	Card
2	26/06/23	£543.01 (including fee)	Crypto 1	Card
3	24/07/23	£25,000	Crypto 1	Faster payment
4	11/08/23	£20,000	Crypto 1	Faster payment

When Mr A tried to withdraw his funds, he was asked to pay further charges and realised he was the victim of a scam. He contacted Revolut via its chat function in January 2024.

Revolut said it wasn't at fault for processing the transactions and that it provided Mr A with appropriate warnings and took steps to try to recover his funds.

Mr A was unhappy with Revolut's response and brought a complaint to this service.

The investigator who considered this complaint recommended that it be upheld in part. He said that Revolut should have provided a tailored written warning when Mr A made the first payment, but it wouldn't have made a difference and prevented his loss. Whilst the investigator agreed that Revolut needed to intervene when payment three was made, he didn't think it went far enough. He recommended that Revolut reimburse 50% of this payment and the one that followed.

Mr A accepted the investigator's view, but Revolut did not. I have summarised the main points Revolut raised below:

- This case involves 'Self-to-Self' transactions to accounts owned and controlled by Mr A, so the fraudulent activity didn't occur on Mr A's Revolut account.
- Funds were transferred from an existing bank account to Revolut, so this service

should consider possible interventions by other banks.

- It is irrational and illogical to hold Revolut liable when it is merely an intermediate link and there are other regulated financial institutions that hold more data on the customer, but which haven't been held responsible in the same way.
- The Financial Ombudsman should inform the complainant that it might be appropriate to make a complaint against another respondent.

The complaint was passed to me. I didn't agree with the investigator's findings and issued a provisional decision on 25 November 2025, not upholding the complaint. In the "What I've provisionally decided – and why" section I said:

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*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 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. 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;*
- *for payments made after 31 July 2023 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;*
- *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 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.*

*Should Revolut have recognised that Mr A was at risk of financial harm from fraud?*

*It isn't in dispute that Mr A has fallen victim to a cruel scam, nor that he authorised the payments he made by transfers to his cryptocurrency wallet (from where that cryptocurrency was subsequently transferred to the scammer).*

*Mr A opened his Revolut account in June 2023, a few days before the first scam payment was made.*

*When these transactions took place, firms like Revolut had been aware of the risk of multistage scams involving cryptocurrency for some time. Scams involving cryptocurrency have increased over time. The FCA and Action Fraud published warnings about*

*cryptocurrency scams in mid-2018 and figures published by the latter show that losses suffered to cryptocurrency scams have continued to increase since. They reached record levels in 2022. During that time, cryptocurrency was typically allowed to be purchased through many high street banks with few restrictions.*

*So, I am satisfied that by the end of 2022, prior to the payments Mr A made, Revolut ought fairly and reasonably to have recognised that its customers could be at an increased risk of fraud when using its services to purchase cryptocurrency, notwithstanding that the payment would often be made to a cryptocurrency wallet in the consumer's own name.*

*In those circumstances, as a matter of what I consider to have been fair and reasonable, good practice, and to comply with regulatory requirements, Revolut should have had appropriate systems for making checks and delivering warnings before it processed such payments. And Revolut was also required by the terms of its contract to refuse or delay payments where regulatory requirements meant it needed to carry out further checks.*

*Taking these factors into account, as well as what Revolut knew about the destination of the payment, I think that Revolut should have considered that Mr A could be at heightened risk of financial harm from fraud. In line with good industry practice, Revolut should have provided a warning before the payment went ahead.*

*What did Revolut do to warn Mr A?*

*Revolut say that when transaction one was made Mr A received a new payee warning that said:*

*“Do you know and trust this payee? If you're unsure, don't pay them, as we may not be able to help you get your money back. Remember, fraudsters can impersonate others, and we will never ask you to make a payment.”*

*This warning is very general in nature and it's difficult to see how it would resonate with Mr A when he was making a payment to a well-known cryptocurrency exchange.*

*Revolut says it also recognised that payment three was potentially suspicious and it was paused while Mr A was redirected to its scam intervention flow. Initially Mr A was shown a screen which said the transfer was highly unusual and may be a scam. He was then asked to choose the payment purpose from a list provided. Mr A chose the 'Payment for Goods or Services' option which prompted a series of questions. I have set out the questions and answers Mr A gave below:*

*Does the offer seem too good to be true? No*

*Have you been asked to pay by bank transfer instead of the payment method recommended by the marketplace? No*

*Was the product or service you are paying for advertised on a social media platform or has a small number of reviews? No*

*Mr A was then directed to Revolut's chat where he confirmed that he was transferring money to his cryptocurrency account. Revolut provided safe account warnings. The Revolut agent went on to say, “I can see that you have advised that this transfer is for goods and services (to your own [cryptocurrency provider] account...” and went on to say that if Mr A had been advised to give that payment reason it was a scam. The agent went on to say, “Have you been advised to ignore scam warnings during making this payment?”. Mr A confirmed he hadn't. He was then asked some questions relating to buying goods and services and given warnings about price being too good to be true and completing research into the seller.*

*Revolut also says that payment four triggered an internal review that led to the account being restricted on 12 August 2023. Mr A engaged in Revolut's chat in October 2023 and said he didn't think he was being scammed. As he didn't provide the information required, Mr A's account remained restricted.*

*What kind of warning should Revolut have provided?*

*In this case Revolut knew that payments were being made to cryptocurrency providers and its systems ought to have factored that information into the warnings it gave.*

*Having thought carefully about the risk payment one presented, I think a proportionate response to that risk would have been for Revolut to have provided a written warning tailored to cryptocurrency investment scams, which was the most prevalent cryptocurrency related scam at the time.*

*The warning Revolut ought fairly and reasonably to have provided should have highlighted, in clear and understandable terms, the key features of common cryptocurrency investment scams, for example referring to: an advertisement on social media, promoted by a celebrity or public figure; an 'account manager', 'broker' or 'trader' acting on their behalf; the use of remote access software; too good to be true returns that are presented as carrying little or no risk; and a small initial deposit which quickly increases in value.*

*I'm not satisfied that Revolut needed to go further at this stage. So, whilst I agree that Revolut should keep up to date with fraud trends, I don't think that in June 2023 this meant doing more than providing a written cryptocurrency investment warning.*

*Revolut should also have recognised an increased scam risk when Mr A attempted to make payment three. It was a high value payment to a known provider of cryptocurrency. Revolut recognised this risk and provided the warnings set out above.*

*Like the investigator, I'm not persuaded Revolut went far enough. Mr A chose the buying goods and services option, but it's clear from Revolut's chat that the agent recognised he was transferring funds to his own cryptocurrency account. Mr A wasn't asked whether he was investing as I'd expect. And the questions Mr A was asked, and the warnings given, all related to buying standard goods and services when Revolut knew this wasn't what Mr A was doing. So I don't think Revolut did enough to protect Mr A.*

*I will add here that the bank Mr A transferred funds from has confirmed it did not intervene when the transfers to his Revolut account were made.*

*If Revolut had provided a warning of the type described, would that have prevented the losses Mr A suffered?*

*On balance I don't consider a written warning of the type I have described above would have resonated with Mr A and meant he didn't make the first payment. I say this because there is evidence from a later intervention with him that Mr A was coached and advised to mislead Revolut – which I will discuss below.*

*When Mr A attempted to make payment three Revolut intervened and asked him some questions in the chat. As I have explained above, I don't think that intervention went far enough. But I can't uphold Mr A's complaint solely on this basis. I need to go on to consider causation – whether suitable intervention would have made a difference to Mr A's decision making or Revolut could have reasonably prevented the loss. I'm not persuaded it could and will explain why.*

On 9 October 2023 Mr A tried to transfer funds into his Revolut account to increase the amount he invested through M. Revolut explained in the chat:

*“Your account is currently restricted because we believe it is highly likely that the transactions you are attempting to make are part of a SCAM. We’ve recently spoken to another customer who attempted very similar transactions to yours – they confirmed it was a scam.”*

*After being asked to confirm his identity, Mr A was asked a series of questions. One such question was, “Were you advised to create a Revolut account after learning about an investment opportunity advertised on social media?” Mr A gave a negative response. He also said that he wasn’t buying cryptocurrencies. Mr A was advised to uninstall a screensharing app and was told that, “No legitimate financial adviser will ever request that you use these applications.” When asked why he had opened his Revolut account, Mr A said he had seen it advertised, and it would be good for travelling. Revolut also asked Mr A why he didn’t transfer the funds directly from his main account. Mr A said that he had properties abroad and was getting used to Revolut. His responses didn’t accurately reflect what was happening.*

*After receiving these responses Revolut said that it couldn’t discount that Mr A was the victim of a scam and it needed the answers to more questions and some information. In this message, Revolut said, “If anyone is guiding you on how to respond to us, this is almost definitely a scam and you should immediately cease communication with them.” Mr A said he would get back to Revolut, but he didn’t do so and a few days later asked Revolut about transferring funds to a bank account. But Revolut told Mr A his account remained restricted.*

*I can see from the chat that the scammer told Mr A not to say that he was being assisted and that Mr A regularly shared screenshots with him and spoke to him. So I think Mr A was being heavily coached by the scammer and that this was why he misled Revolut.*

*After Mr A’s exchange with Revolut in October 2023 he made further payments relating to the same scam. On 10 October 2023 he told the representative of M that he would transfer £10,000 every few days, and I can see from emails that Mr A has provided that in November 2023 he transferred €11,323, and in November €5,698, to a company. The payments weren’t made from Mr A’s Revolut account so I assume he used a different account. So Revolut’s warning that it was highly likely the transactions related to a scam didn’t resonate with Mr A or lead him to complete any checks.*

*Whilst I appreciate Revolut didn’t provide a cryptocurrency investment scam warning, it was very clear in its message that it had serious concerns. And Revolut had provided other relevant warnings (as I have set out above). It appears though that Mr A was persuaded by the scammer that the investment was legitimate – which is what I think would have happened if Revolut had done more when Mr A attempted to make payment three.*

*Given the responses I think Mr A was most likely to have given if Revolut had intervened appropriately when Mr A attempted payment three, I’m not persuaded that Revolut ought reasonably to have refused to make further payments at that stage. Revolut didn’t allow Mr A to make further payments after payment four, but this was because he hadn’t provided source of funds details it required as part of its review of the account, which is different.*

*I’m satisfied that Revolut couldn’t have done anything more to recover Mr A’s funds.*

*Overall, whilst I’m sorry Mr A has fallen victim to this cruel scam, I can’t fairly require Revolut to reimburse his loss.*

## Responses to my provisional decision

Revolut didn't respond to my provisional decision. Mr A, through his representative, disagreed that further intervention wouldn't have made a difference and prevented his loss. He said that Revolut should have been aware that scam victims are coached and amended its internal protocols to prevent cryptocurrency related scams. He also said that under the Consumer Duty, Revolut should account for known behaviour biases and known vulnerabilities. In his opinion, Revolut's "overly standardised question-answer systems" fail to place customers in a better position to make decisions.

### **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.

I have reviewed the response provided by Mr A but my final decision is the same as my provisional decision (which I have set out above), and for the same reasons.

In summary, I'm satisfied Revolut should have provided a written warning tailored to cryptocurrency scams when Mr A made payment one, but it wouldn't have resonated with him. Revolut should also have gone further when he made payment three, as the payment was identifiably related to cryptocurrency. But on balance, I'm not persuaded further intervention would have made a difference. This is because Mr A misled Revolut which prevented it from providing warnings, didn't heed relevant advice Revolut gave, and went on to make payments from another account after Revolut had raised real scam concerns and restricted Mr A's account.

Mr A's representative has referred to Revolut's responsibilities under the Consumer Duty. This duty came into force on 31 July 2023 so isn't relevant at the point I have said Revolut should have done more (when payment three was made). In any event, I think Revolut should take into account known fraud trends when developing its systems and have been alert to the fact fraudsters are known to coach their victims. But, on balance, I consider it more likely than not Revolut could not have prevented Mr A's loss in the individual circumstances of this case.

I'm sorry Mr A has lost a substantial amount of money but can't fairly hold Revolut liable for his loss.

### **My final decision**

For the reasons stated I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 January 2026.

Jay Hadfield  
**Ombudsman**