

The complaint

Mr M complains that Revolut Ltd won't refund him for payments he made from his account that were ultimately lost to an investment scam.

Mr M is being represented by professional representatives, but for ease of reading I'll just refer to Mr M.

What happened

The circumstances surrounding Mr M's complaint are well known to both parties, so I haven't set them out in detail here. Instead, I've summarised what I consider to be the key points.

Mr M says he came across an advertisement for an investment company, on a popular social media platform. He left his contact details, was called back and was persuaded to invest. He was assigned a broker, who persuaded him to download remote access software and to set up accounts with cryptocurrency exchanges. He says he made a small initial investment, which seemed to do well and was then persuaded to invest larger amounts. The broker suggested taking out loans in order to fund his investment. Mr M agreed and took out two loans, one on 4 August 2022 and another on 22 August 2022.

For most of the payments, money was transferred from his bank account and from the loan companies into his Revolut account and from there, Mr M says he transferred it to two cryptocurrency accounts, before paying it on to the scammers.

He says he had access to his own account with the investment company and he could see his investments making a profit. He invested various amounts in August and September 2022. He noticed that the trades being made by his broker were made in such a way that he wasn't able to withdraw any money and his capital always seemed to be tied-up. When he started asking questions, the value of his investments started to go down, his account was then closed due to lack of funds and he was unable to make contact with the scammers.

Mr M says he made the following transactions in connection with the scam:

Transaction	Date	Amount	Destination	Payment type
1	02/08/2022	£100	Investment company	Card payment
2	05/08/2022	£10,000	Own cryptocurrency account A	Card payment
3	05/08/2022	£10,000	Own cryptocurrency account A	Card payment
4	10/08/2022	£10	Own cryptocurrency account B	Card payment
5	10/08/2022	£200	Own cryptocurrency account B	Card payment
6	10/08/2022	£15,000	Own cryptocurrency account B	Transfer
7	11/08/2022	£5,000	Own cryptocurrency account B	Transfer
8	11/08/2022	£10	Own cryptocurrency account B	Card payment
9	16/08/2022	£50		Exchanged to cryptocurrency
10	19/08/2022	£50		Exchanged to cryptocurrency
11	19/08/2022	£50		Exchanged to

				cryptocurrency
12	24/08/2022	£10,000	Own cryptocurrency account B	Transfer
13	25/08/2022	£4,500	Own cryptocurrency account B	Transfer
14	08/09/2022	£3,500	Own cryptocurrency account B	Transfer
15	13/09/2022	£200	Own cryptocurrency account B	Card payment
16	16/09/2022	£100	Investment company	Card payment

Mr M reported the scam to Revolut in June 2024, but Revolut wouldn't refund him. Mr M complains the transactions were out of character for his account and Revolut ought to have intervened from transaction two onwards. If Revolut had intervened, he thinks his losses could have been prevented.

Revolut doesn't think it is at fault for Mr M's losses. It says Mr M authorised the transactions and they were payments to an account he controlled. It sent him new payee warnings when he set up payments to new beneficiaries on his account. When Mr M opened his account in 2017, one of the account opening purposes he gave was cryptocurrency, so the transactions were in keeping with that. Revolut says other banks could have intervened to prevent these payments from going ahead. It also says that Mr M was negligent and should have noticed warning signs, like being asked to take out loans, being wary of contact over social media and then failing to report the scam for two years. It says it attempted to recover his funds, but this was ultimately unsuccessful.

Our investigator said the payments were out of character and he considered Revolut ought to have intervened in transaction two, as the payment was considerably larger than any previous payment Mr M had made in the previous 12 months and it was to a cryptocurrency exchange. He had also received £20,000 into the account the day before, from a well-known loan provider. He thought the combination of unusual activity ought to have caused Revolut to have intervened. He thought Revolut ought to have made some sort of human intervention by a member of staff. Had such an intervention been made, he thought it likely the scam would have been uncovered and Mr M would have taken heed of the warnings he should have been given and would not have made further payments. He thought it might have come to light that Mr M had been asked to download remote access software and was being pressured to invest more and more, for example.

Revolut didn't agree with the investigator's assessment it said:

- The payments in question weren't fraudulent as Mr M controlled the accounts to which most of the payments were made. Mr M only lost control of his money to the scammers after it was paid out from his cryptocurrency accounts;
- The payments weren't out of character with the typical transactions Revolut sees on its accounts, which are not traditional bank accounts. Sending money to cryptocurrency accounts is as common activity on Revolut accounts and was one of the account opening reasons given by Mr M;
- Our recent reliance on R (on the application of Portal Financial Services Ltd) v FOS [2022] EWHC 710 (admin) is misconceived;
- We should consider other banks' interventions, and whether Mr M disregarded any warnings. It might also be appropriate to direct Mr M to make complaints about the role his other financial service providers played in relation to this scam;
- Mr M should have suspected something was wrong when he was asked to take out loans to fund the investment, as this is unusual and not something that would be expected from a legitimate investment company;

- It was likely that Mr M misled the loan providers when taking out the loans because it's unlikely they would have agreed to lend him money to invest in cryptocurrency. This suggests he was willing to deceive his financial service providers and it considers this was reckless;
- Revolut questions whether Mr M has suffered a loss, or whether it is the loan company that has truly suffered a loss. It says that ordering Revolut to refund this amount, would, in reality, be ordering Revolut to refund the loan provider for a loan it gave Mr M which he had likely applied for fraudulently.

I provided both sides with my provisional decision on 7 January 2026. In summary, I said:

- Mr M hadn't demonstrated that Revolut failed to protect him from the risk of fraud in relation to payments two and three. That's because there was insufficient evidence to show these funds were lost to a scam. I said I'd asked Mr M to provide evidence he lost the money sent to cryptocurrency exchange A (payments two and three), but he told me he did not have supporting evidence, such as a transaction history from either the trading account or the cryptocurrency exchange. On that basis, I was not persuaded there was enough evidence for me to uphold his complaint in relation to those payments;
- Payments 1 and 16 appeared to have been made to a separate, legitimate investment platform and it was not clear they were lost to this scam;
- The evidence provided did not show that transactions 5,9,10 and 11 were paid out to the scammers either. These transactions were similar to others that hadn't been included in Mr M's complaint, such as ones in October and December 2022 and January 2023. While Mr M's Revolut transaction history showed payment 5, for £200, was sent to his cryptocurrency account B, the transaction history for this cryptocurrency account didn't show a corresponding payment out to the scammers. Mr M also received a payment back into his Revolut account from his cryptocurrency account on 27 September 2022, amounting to £208.75;
- I thought Revolut ought to have intervened in payment six, by phone or in-app messaging, because Mr M had sent over £20,000 to two different cryptocurrency platforms within a week, and payment six was higher in value than the previous payments and was a significant amount. A large loan had been deposited into Mr M's account earlier that week too, which Revolut might have identified as another risk factor associated with this type of fraud. Given the combination of risk factors here, such as payment frequency, overall payment value and, particularly, the notable individual value of payment six, which was being made to a cryptocurrency exchange, I thought payment six should have led Revolut to consider that Mr M was at a heightened risk of financial harm from fraud and it should have intervened;
- During such intervention I would have expected Revolut to have questioned the purpose of the payments Mr M was making. I would have expected Revolut to focus on known hallmarks of cryptocurrency investment scams, such as whether Mr M had a financial advisor involved, whether he had been asked to download any remote access software and where Mr M heard of the investment opportunity, amongst other things;
- I concluded that a warning covering such features would have resonated sufficiently with Mr M and intervention would have uncovered that this wasn't a legitimate opportunity, given how many of those features were present in his case;

- I thought about whether Mr M was too heavily ‘under the spell’ of the scammer for warnings from Revolut to have worked. There was no record of him having been coached about how to respond to questions, he started to ask questions about withdrawals later on, and the content of the messages in general didn’t suggest Mr M was closed off to any advice provided by Revolut on how to protect himself. Overall, I considered that if Mr M had been contacted by Revolut and given a relevant, timely warning, it’s more likely than not that this would’ve been sufficient to have prevented further losses to this scam;
- I found it was reasonable to hold Revolut responsible for Mr M’s loss. Revolut should have recognised that Mr M might have been at risk of financial harm from fraud when he made the sixth payment towards the scam, and in those circumstances it should have intervened. Had it done so, I was satisfied it would have prevented the losses Mr M suffered. The fact that the money wasn’t lost at the point it was transferred to Mr M’s own cryptocurrency accounts did not alter that fact and I considered Revolut could fairly be held responsible for Mr M’s loss in such circumstances.
- I considered there were warning signs that Mr M should have recognised and questioned and that he missed opportunities to possibly prevent his losses. For example, agreeing to download remote access software and the scammer advising him to take out multiple loans to fund his investment. Because of this, on balance, I considered it fair and reasonable to find that Mr M should bear equal responsibility for his losses;
- I said there was no realistic prospect of Revolut being able to recover the money successfully;
- I considered Revolut could have prevented Mr M’s losses from transactions 6, 7, 12, 13, 14 and 15, which totalled £38,200. Mr M was able to withdraw £208.75 from his cryptocurrency account into his Revolut account on 27 September 2022, which meant his total loss for these transactions was reduced to £37,991.25. I considered Revolut should pay Mr M 50% of this amount and add interest to the compensation it pays at the rate of 8% simple per year from the date of each payment to the date of settlement.

Revolut responded to say it had nothing further to add.

Mr M responded and said he thought the evidence he had provided was sufficient to show, on the balance of probabilities, that the earlier payments, in particular payments two and three, had been lost to a scam. He said the cryptocurrency exchange’s website no longer operated so there was no further evidence that could be obtained. There was reference to the cryptocurrency exchange in the messages he exchanged with the scammer, copies of which he had already provided to us. There would have been no purpose to having a cryptocurrency account other than to fund the transactions to this investment scam and he had no previous experience of cryptocurrency. He also noted that warnings had been issued about the cryptocurrency exchange sometime after this scam. Overall, he thought this was sufficient to show it was more likely than not he had sent these funds on to a scammer.

Mr M also provided a spreadsheet with some details of what appeared to be cryptocurrency transactions from cryptocurrency account A.

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.

Neither Mr M nor Revolut have commented on the majority of my findings and having reviewed them, I remain of the views set out in my provisional decision, which I'll summarise briefly.

Revolut should have intervened in payment six, due to the variety of risk factors mentioned in my provisional decision and summarised above.

I consider that intervention should have involved human contact, by phone or in-app messaging. It's likely such intervention would have uncovered this scam and prevented Mr M's further losses. That's because there's little evidence to indicate Mr M wouldn't have been open and honest with Revolut if it had intervened. And I think Mr M's answers to the obvious lines of questions Revolut would likely have asked would have caused Revolut concern. For example, I'd expect it to have asked what the payment was for and whether anyone was advising him, whether he'd known them long and how they met. If Mr M had told them he was investing in cryptocurrency on the advice of someone he'd recently contacted through social media, I think Revolut would have warned him not to proceed.

I think any such warnings would have resonated with Mr M and he would have taken heed of them and not proceeded further. There's little reason to think he wouldn't have been responsive to a warning from Revolut, which was the expert in these matters. The scam Mr M was falling victim to also had many of the common features that Revolut would likely have warned about – social media contact, an advisor, being asked to download remote access software, amongst other things. I think that intervention would therefore have prevented Mr M's further losses.

So I find it's fair and reasonable to hold Revolut responsible for Mr M's loss because I consider it didn't do all it should have done and if it had, it would have likely prevented Mr M's losses.

I also remain of the view that Mr M missed warnings signs that this might be a scam, for reasons already set out and to the extent that it's reasonable to find him jointly responsible for his loss.

Turning to the points Mr M has commented on, I remain of the view that there isn't enough evidence to persuade me it would be reasonable to uphold his complaint about payments two and three.

I understand the cryptocurrency exchange's website no longer operates and some warnings have been issued against that cryptocurrency exchange since these transactions took place. I appreciate that presents practical difficulties, but I do consider there should be persuasive evidence to show that a loss has occurred. The evidence I have been presented with is slight. I can see payments two and three were sent to cryptocurrency exchange A because it shows this on Mr M's Revolut account statements. There is a reference to the cryptocurrency exchange in the messages he exchanged with the scammer, which simply says "[cryptocurrency exchange A] now active". While I agree there wouldn't have been an obvious point in opening this cryptocurrency account other than to fund payments to the investment account, this doesn't show how much, if anything, was sent to the scammers from that account.

Mr M did attach a copy of an excel spreadsheet to his response to my provisional decision. He hasn't mentioned it, commented on it or explained what this is, and he's previously told me he can't obtain a copy of the transaction history from cryptocurrency exchange A. The document provided appears to be an activity report from the cryptocurrency exchange, but it

doesn't identify the account holder or the destination to which the cryptocurrency was withdrawn. It shows limited transaction history, including two deposits into the account on 5 August 2022, each for £9,581.88, which *might* relate to the two £10,000 payments, but it isn't clear. Overall, I'm not persuaded this is sufficient to demonstrate Mr M lost the funds covered by payments two and three to scammers.

On balance then, I'm not persuaded there is sufficient evidence to show that these two payments were lost to scammers.

For the reasons given above and in my provisional decision, I remain of the view set out in my provisional decision and for broadly the same reasons.

Putting things right

Revolut must refund 50% of transactions 6, 7, 12, 13, 14 and 15, less the £208.75 Mr M was able to withdraw from his cryptocurrency account on 27 September 2022.

Revolut must add interest to the compensation it pays at the rate of 8% simple per year from the date of each payment to the date of settlement.

My final decision

I uphold Mr M's complaint against Revolut Ltd and I require it to compensate him as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 March 2026.

Greg Barham
Ombudsman