

The complaint

Mr L is unhappy that Revolut Ltd won't refund him all the funds lost after falling victim to an investment scam.

Mr L's complaint is brought through professional representatives. But for ease I'll refer to Mr L throughout this decision.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Following retirement, Mr L was considering new investment opportunities in order to protect the value of his savings against rising inflation and to supplement his pension. Mr L conducted an online search for an investment broker and came across a company I'll refer to as X.

Mr L began engaging with X whom he was convinced were a genuine investment broker and began making payments in order to invest with them. Mr L originally began investing with X in August 2022. He held regular trading sessions with X and was in regular contact with them. Mr L was later advised by X to make payments by using cryptocurrency and it was suggested that he should open an account with Revolut in order to make that process easier. Between January and March 2023, Mr L made a series of payments (by both bank transfer and debit card payment) to cryptocurrency merchants with losses totalling around £340,000 and \$64,000 from his account with Revolut. He was making the payments in relation to X which he believed would then allow him to withdraw his profits. It should be noted that Mr L has other losses that also relate to X with other financial businesses, some of which are the subject of separate complaints at this service.

An agreement was reached with X that Mr L could make a substantial withdrawal, but this would have to be done in two parts. He was initially provided with a £500 withdrawal, following which he was expecting a withdrawal of \$750,000 and more.

Mr L continued to pursue the withdrawal, which included raising a separate complaint at this service with the financial business he was expecting the funds to come from. And when this didn't come to fruition, Mr L raised a claim and complaint with Revolut.

In April 2024, Revolut informed Mr L that it required further evidence and information from him before it could reach an outcome. And by May 2024, it issued its final response. It was unable to uphold his complaint as it said that despite numerous requests, it had not received the requisite information to complete its investigation. As such, it was unable to take any further action. Some further disputed transactions were identified which were later raised with Revolut. It issued a further final response in September 2025 which also didn't uphold Mr L's complaint.

Our investigator didn't uphold Mr L's complaint. Whilst she recognised that Mr L had fallen victim to a scam, she wasn't satisfied that Mr L had satisfactorily demonstrated that he'd suffered a financial loss. She explained that key evidence and information such as all cryptocurrency account statements hadn't been provided and that the evidence that had been provided was insufficient.

Further information was provided by Mr L for consideration, but our investigator still didn't uphold his complaint. She explained that she still wasn't able to establish whether Mr L held any credit balances and that all she could be satisfied with was that Mr L purchased cryptocurrency. She said she'd seen no evidence in relation to a number of the cryptocurrency merchants Mr L had paid and that she'd seen no evidence he was asked to make payments to these other merchants in relation to X. However, she went on to explain that even if she was satisfied Mr L could provide sufficient evidence of financial loss, she was still unable to uphold his complaint. She said that she'd have expected Revolut to have intervened during the disputed transactions, and in fact it did. However, Mr L wasn't honest in his responses when questioned by Revolut. Mr L explained that this was likely as a result of coaching he'd received from X. Our investigator went on further to explain that even if Mr L had been honest, she wasn't persuaded this would have prevented his losses to X.

As an agreement couldn't be reached, the case has since 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.

I'm mindful that Mr L's representative has written at some length regarding this complaint. In this decision I've focussed on what I think is the heart of the matter here. As a consequence, if there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I consider is a fair and reasonable outcome. Our rules allow me to do this, reflecting the informal nature of our service as a free alternative to the courts.

As such, the purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by the parties to this complaint, and reach what I think is an independent, fair and reasonable decision, based on what I find to be the facts of the case.

And having done so, I agree with the conclusions reached by the investigator. I'll explain why.

Overall, I don't think I have been provided sufficient evidence to demonstrate the losses Mr L says he suffered to X. Mr L has provided evidence which includes various email exchanges he had with X dating back to August 2022. In addition, Mr L has provided his recollection of events as well as responses to questions raised by our investigator during their investigation and responses provided their findings. I only intend to address this point briefly. That's because even if I were satisfied Mr L had sufficiently evidenced his losses to X, I won't be upholding this complaint as I'm not persuaded any intervention by Revolut would have stopped him from proceeding with making the payments. I'll address this in more detail below.

Mr L's payments aren't made to just one cryptocurrency merchant, they are made to multiple. And as our investigator has highlighted, the evidence of the interactions he had with X only reference a handful of these cryptocurrency merchants. And that makes it particularly difficult to establish a complete flow of the funds lost that relate to transactions made from his account with Revolut. That's because we know that Mr L also made payments from other

accounts relating to X – not only from the U.K., but internationally too. However, there's an absence of evidence showing what, if any balances remain in these cryptocurrency wallets. Furthermore, given the different accounts in use and reviewing the evidence provided by Mr L, I'm not satisfied we can see a clear flow of the payments he says were lost as a result of the scam operated by X. By way of example, one of Mr L's other bank accounts receives £25,000 back from one of the cryptocurrency accounts, yet he's been unable to provide any clear explanation as to why that happened.

That said, even if I were satisfied Mr L had sufficiently evidenced his losses to X I won't be upholding this complaint.

It isn't in dispute that Mr L authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Revolut is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

It's evident that Mr L's account with Revolut was opened for the purposes of facilitating more payments to X. His account statement shows that it was opened only a few days before the first disputed transaction in January 2023.

Throughout the disputed transactions, Mr L had a number of interactions with Revolut about the payments he was making. Some of these were automated in-app interactions, where Mr L was required to provide a response as to the payment purpose, which was then followed by a series of questions that related to that response he provided. But even in some instances where this took place, Mr L was still required to enter into a live-chat interaction with Revolut within its app. On each occasion that Mr L was asked to provide a payment purpose, he was paying for 'Goods and Services'. But just like our investigator, I can't agree this was the most appropriate choice – that's because Investment and Cryptocurrency were also available options. That said, when Revolut engaged directly with Mr L through its live-chat function, he continued to provide misleading responses. Among the various questions he was asked, Revolut asked Mr L whether he'd recently downloaded any screen sharing applications, what was the purpose of the payment he was making? He responded *no* to the screen sharing question – even when it had named the same software seen in Mr L's interactions with X. He also said that he was transferring his funds to his building renovation contractor. As a result of Mr L's responses, Revolut weren't able to provide him with an appropriate warning.

Our investigator explained that Revolut could see the first payment it intervened on wasn't going to a building renovator/ contractor as asserted by Mr L – and therefore it shouldn't have accepted his responses without further questioning of him. I'm not persuaded by this. This was a faster payment being made where its unique payment identifiers would have been a sort code and account number. I'm not satisfied the evidence shows that Revolut ought to have been aware that it was being made for any other purpose than what Mr L had told them when they reasonably questioned him about it. Whilst Revolut arguably could have gone further in its questioning, I'm not persuaded this would've resulted in Mr L acting or responding any differently than he already had. Ultimately, Mr L's actions and responses actively prevented Revolut from identifying that he might instead be falling victim to a cryptocurrency investment scam instead.

However later debit card payments Mr L was making and which he says were lost to X, those ought to have been clear to Revolut that he was making payments to a cryptocurrency related merchant. And had Revolut intervened, it ought to have provided him with a warning relevant to cryptocurrency investment scams. That said, Mr L's interactions with another bank also show that he wasn't truthful with them as to the purpose of payments he was

crediting his Revolut account with – and those responses were consistent with what he was telling Revolut i.e. they were for ‘renovation’ and ‘expenses’. And I’m not persuaded Mr L would have been forthcoming with any information at this juncture that would have enabled Revolut to identify he might be falling victim to a cryptocurrency investment scam. Mr L expressed that whilst he doesn’t recollect those interactions, it would have been because he was coached by X in order to expedite the process.

Mr L was persuaded that X was a ‘*bona fide operator*’ and first got involved with X in August 2022. And at the time he got involved with X, it did not bear the typical hallmarks of an investment scam. I say that because from the available evidence, Mr L was not cold called or contacted out of the blue, he actively sought out an ‘investment broker’ and came across X. Mr L was able to engage directly with X prior to any agreed ‘investment’ being made and those interactions didn’t pressure Mr L into making payments/ investing and he held regular video conference calls with X. Mr L also had access to what he believed was his online trading account with X which looked professional and reflected what he was being told about profits earned in emails he received. But most importantly, I’ve not seen anything that would’ve been available in the public domain at the time that would have alerted to Mr L any concerns regarding X. And from Mr L’s own submissions, he was of the view *‘that if there had been anything “dodgy” about the recipient or the investment, they would have been aware or would have been able to find out, and would not have proceeded with the transactions’*. And of the communications he had with X, the information Mr L received he says *‘appeared consistent with what was going on in the market’* which he was able to independently check.

I’ve also reviewed the Investor Alerts Portal of the International Organization of Securities Commissions (“IOSCO”), the international body that brings together the world’s securities regulators. And the Financial Conduct Authority ‘FCA’ (as the UK regulator) also has its own warning list, which is in place to share alerts and insight about merchants that have been identified as potentially being fraudulent or unauthorised. Upon checking both, I have found that X was reported by one overseas regulator, however this wasn’t published until after Mr L’s involvement and losses to X.

With the above in mind, I still would have expected Revolut to have provided Mr L with a warning about cryptocurrency investment scams and to ensure that he was comfortable before proceeding. It follows that I don’t think Revolut would have been concerned that Mr L was at risk of financial harm, and I think Mr L would have wanted to proceed with the payments.

Lastly, I’ve considered whether there are any ways Revolut could have recovered Mr L’s money, but I don’t consider it could have. Mr L bought genuine cryptocurrency with the funds which he sent on as part of this scam. So he did receive what he paid for, even if he then lost it due to the scam.

I’m mindful of the impact such a significant loss has had on Mr L. It’s very unfortunate he has lost this money in this way, and I do have a great deal of sympathy for him. But in the circumstances, having carefully considered everything, I don’t find Revolut could have reasonably prevented Mr L’s losses here. Neither do I find there were any other failings on Revolut’s part that would lead me to uphold this complaint.

My final decision

My final decision is that I don’t uphold this complaint.

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

Mark O'Connor
Ombudsman