

The complaint

Ms G complains that Revolut Ltd (Revolut, hereinafter) hasn't refunded the losses she's incurred when falling victim to an investment scam.

What happened

Ms G says she was recommended an investment opportunity by a friend at her local gym. So, she was added to a social media messaging group with many other members and was later directly contacted by someone purporting to be an investment manager for a renowned genuine trading platform I'll refer to as T. Sadly, this was a scam.

The scammer made Ms G believe that she had opened a trading account with T, but this was a clone platform, not a genuine one.

They guided Ms G to move funds into her Revolut account, convert it into cryptocurrency using Revolut's cryptocurrency exchange services, and then send it on to the scammer's wallet by what is known as a "cryptocurrency withdrawal" under the false pretence that Ms G would be sending funds to the trading platform in this way.

From her Revolut account Ms G made 17 payments totalling £31,105.33 between 7 and 21 February 2025. She funded the scam via her own savings account, which was held within a genuine T account. She then borrowed extensively from friends and family to continue comply with the scammers requests to withdraw the supposed dividends.

Ms G realised she had fallen victim to a scam when the scammer's requests for payment didn't stop, even after having made several payments to withdraw her dividends. Ms G says she didn't receive any returns from the scam.

Ms G informed Revolut of the scam on 23 February 2025 and then lodged a complaint when Revolut refused to refund her.

Revolut said it tried to recover Ms G's funds but was unsuccessful due to the nature of cryptocurrency payments. It said it questioned and warned Ms G appropriately at the time she was making the cryptocurrency withdrawals, but sadly it wasn't able to protect Ms G, as she gave misleading answers during its intervention and insisted on wanting to proceed with the payments despite being advised her transactions were most likely going to a scammer.

So, it thinks it's done enough to protect Ms G and declined to refund her loss.

So, Ms G referred the complaint to the Financial Ombudsman Service.

When our service submitted the information request to Revolut for this complaint, Revolut said it didn't think our service had jurisdiction to consider the matter, as it involved cryptocurrency withdrawals.

In response to Revolut's representations to our jurisdiction, our Investigator thought the complaint was a broad one about Revolut's failure to protect Ms G from the scam overall, rather than just about the withdrawal, and so we could consider it. In their view they said that certain aspects of what happened on the account (as a result of the scam) concerned activities covered by our jurisdiction, like payment services, or those ancillary to them.

Specifically, our Investigator thought the depositing and holding of funds as electronic money ("e-money", hereinafter) in the Revolut account was an activity that is covered by us. They also said that, while the exchanging of the money into cryptocurrency wasn't itself listed as part of the financial activities we can investigate, in the circumstances, they thought we could look at that part of the process, as it was ancillary to the payment service of holding e-money.

Our investigator likened this activity to when our service considers complaints about foreign currency exchange that happens as part of a transfer. The exchange isn't itself a separately covered activity, but it's one we can review when ancillary to money remittance (which is a payment service we can investigate).

Our Investigator didn't, however, think the cryptocurrency withdrawal was something we could comment on, as it's not a financially regulated activity, nor is it ancillary to one.

With regards to the merits of the complaint, our Investigator said that Revolut's intervention was proportionate to the risks identified at the time, but it was clear from Ms G's demeanour during the interventions that she wished to proceed with the payments, no matter the risks. So, they didn't recommend a refund.

Ms G disagreed with our Investigator's view, stating that Revolut's failure shouldn't be overlooked, especially as she had disclosed during the interventions that she was being guided by an investment manager and it had become apparent that she was falling victim to a scam. She argued Revolut's warnings were generic and not effective enough in educating Ms G as to the steps she could take to identify if she was being scammed.

In light of this disagreement, I have been asked to review everything afresh and reach a decision on the matter.

Preliminary matters

Revolut hasn't responded to our Investigator's findings in relation to our jurisdiction. I've therefore assumed that it now accepts our Investigator's stance, and I only need to decide the merits of this complaint.

For the benefit of Ms G, I would like to reiterate that I'm unable to comment on Revolut's actions at the point she made the cryptocurrency withdrawals, as this isn't an activity within our service's jurisdiction.

So, when reviewing Revolut's role in the scam, I will focus on all aspects other than the cryptocurrency withdrawals or any attempt to recover them from the beneficiary account.

However, whilst I can't comment on Revolut's intervention at the point the cryptocurrency was withdrawn, I'm still able to consider Ms G's reaction to that intervention, to inform my opinion of how Ms G would have likely interacted with Revolut, had it intervened at a different point in the transaction, for example, at the point of exchanging the fiat currency into cryptocurrency.

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 aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

I don't doubt Ms G has been the victim of a scam here – she has lost a large sum of money and has my sympathy for this. However, just because a scam has occurred, it does not mean Ms G is automatically entitled to recompense by Revolut. It would only be fair for me to tell Revolut to reimburse Ms G for her loss (or a proportion of it) if:

- I thought Revolut reasonably ought to have prevented all (or some of) the payments Ms G made, or
- Revolut hindered the recovery of the payments Ms G made

whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Revolut treated Ms G fairly and reasonably in its dealings with her, when she made the payments and when she reported the scam, or whether it should have done more than it did.

Having done so, I've decided to not uphold Ms G's complaint. I know this will come as a disappointment to Ms G and so I will explain below why I've reached the decision I have. I have kept in mind that Ms G made the payments herself, and the starting position is that Revolut should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance.

I appreciate that Ms G did not intend for her money to ultimately go to fraudsters and was deceived into doing so – but she did authorise these payments to take place. However, there are some situations when a bank or an e-money institution such as Revolut, should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time – Revolut should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and 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 payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- 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.

Should Revolut have intervened when Ms G converted her funds into cryptocurrency?

So, I've thought about whether the exchange of fiat currency (GBP) into cryptocurrency (BTC) Ms G completed between 7 and 21 February 2025 should have highlighted to Revolut that Ms G might be at a heightened risk of financial harm due to fraud or a scam.

Revolut didn't intervene at all during any of the cryptocurrency exchanges. However, in line with our Investigator's findings, I agree Revolut should have intervened at the point Ms G made the exchange from GBP to BTC for £6,050 on 17 February 2025 (exchange 7 hereinafter).

I say this because:

- Ms G had made a few cryptocurrency exchanges in the days leading up to exchange 7, but for much lower value, and, in general, Ms G didn't have a history of making very high value payments or cryptocurrency exchanges from her Revolut account.
- Looking at the pattern of activity, the value of exchange 7 was very high, both in isolation and when considered against earlier account activity. It came after a number of lower value exchanges, that were moved out of the Revolut wallet, immediately after having been converted into cryptocurrency. This happened over 10 days, with individual amounts progressively increasing.

So, by this exchange, Revolut should have identified a pattern of fraud to have likely emerged and intervened accordingly. In the circumstances, I think proportionate intervention would have taken the form of a better automated warning, asking Ms G questions around the reason for her exchange, as well as warning her as to the main features of scams involving cryptocurrency.

Having reviewed the account activity beyond exchange 7, I believe Revolut should have intervened further when Ms G completed the exchange of £6,300 into BTC on 19 February 2025.

At this point though, considering the overall significant amount of funds Ms G had been converting into BTC and then sending immediately after to an external wallet, I believe it would have been appropriate for Revolut to block and manually intervene on the exchange to ask open ended questions to Ms G as to why she was purchasing so much cryptocurrency in such a short period of time, and seek evidence of whether Ms G had

exclusive control and access to the receiving account, in an effort to identify whether she had fallen victim to a scam.

Our service is aware that Revolut intervened when Ms G made the cryptocurrency withdrawals to the scammer's wallet.

I think it's important for me to explicitly depart from our Investigator's finding that Revolut's intervention at that point was proportionate.

I have explained above in this decision that our service doesn't have the power to look into Revolut's actions at the point of the cryptocurrency withdrawals, and therefore I will not comment as to the quality of those interventions.

Whilst I found that Revolut should have intervened at the point Ms G completed the cryptocurrency exchange 7, as I'll go on to explain, I don't believe this would have resulted in Ms G's loss being prevented.

Would Revolut's intervention have made a difference?

The question for me to answer next is whether, on the balance of probabilities, Revolut would have been able to prevent Ms G's loss, had it intervened when Ms G converted the GBP into BTC on 17 or 19 February 2025 in the ways I've described above.

I've considered that point carefully, especially in light of Ms G's representations to our Investigator's view that Revolut failed to act upon very clear red flags that she was being scammed. I'm very sorry to disappoint Ms G, but I'm not persuaded any intervention, no matter how good, would have made a difference in her case.

I will explain why I've come to this conclusion.

During our service's investigation, we asked Ms G whether she was coached on how to deal with any interaction with Revolut and she confirmed she was instructed to avoid mentioning the true purpose of the payments if questioned by Revolut, and that she believed this was normal procedure due to Revolut routinely questioning cryptocurrency transactions. Ms G said she felt uncomfortable about hiding information, but was ultimately convinced this was necessary for security reasons.

The evidence reconfirms Ms G's testimony. Whilst I don't have the full transcripts of Ms G's chats with the scammer but only fragmented screenshots of it, what is available to me shows that Ms G was following the scammer's advice very closely and was deeply under their spell.

The chat transcripts of Ms G's interactions with Revolut at the point she made high value cryptocurrency withdrawals reveal that Ms G did at first disclose that she was making a payment to withdraw her dividends from an investment platform and that she had a manager guiding her on the steps to take.

On this basis, Ms G argued that this information should have put Revolut on notice that she was being scammed. Whilst I agree with this statement, I must take into account the lengths Ms G went to subsequently, to try and make the payments to the scammer's wallet anyway.

I must therefore consider that Ms G then proceeded to deny any third-party involvement in all subsequent questionnaires and manual interventions from Revolut. She stated she had access and control of the receiving wallet when this wasn't true, since only the scammer had access to the receiving wallet. She denied having made significant returns in a short period of time despite this being precisely what was happening.

Revolut asked Ms G for physical evidence of her trading platform on 17 February 2025. Ms G was in possession of this evidence, as screenshots of this had been shared by the scammer with Ms G on 14 February 2025, showing she'd accrued investment returns totalling over £64,000. However, Ms G refused to share that with Revolut. I believe this shows Ms G was most likely wilfully withholding information that was relevant to Revolut's fraud review.

Ms G however showed Revolut screenshots of the receiving wallet, in an effort to prove she had access and control of it. This is however at odds with Ms G's testimony to our service, since she told us she never had access to any wallets other than that within the Revolut app.

Having reviewed the evidence available about how the payment journey unfolded, I'm also persuaded Ms G never had any access to the receiving wallet, so it can be concluded that, most likely, she asked the scammer to provide a screenshot of the receiving wallet, which she then shared with Revolut to provide false assurance that she had access to her funds within the receiving wallet, even if this wasn't the case.

Ms G says that Revolut's interventions weren't impactful enough and didn't educate her sufficiently as to the steps she could take to protect herself from the scam. As mentioned above in this decision, I can't comment on the quality of Revolut's interventions at the point of the cryptocurrency withdrawals, because it's outside of our service's jurisdiction.

However, I'm still able to consider Ms G's interaction with the information provided by Revolut at that point, to determine whether Ms G was given any advice that was relevant to her circumstances and that should have impacted her basis for believing the scam and ultimately help her unearth it.

It follows from the above that I can look at those interactions as an indication of how Ms G may have conducted herself earlier, at the point of exchanging fiat currency into cryptocurrency, or later, if Revolut had intervened at those points.

Having looked at the information Revolut shared with Ms G during its interventions, I can't agree that there wasn't enough guidance on there on steps Ms G could have taken to identify if she was falling victim to a scam. The high friction intervention from Revolut clearly disclosed Revolut thought the transaction was most likely being made as the result of a scam.

It described in its unskippable in-app warnings the main features of cryptocurrency scams, such as guaranteed returns, bespoke and exclusive trading platform accounts ran by alleged investment managers, the use of social media platforms, returns that were too good to be true, pressure to invest more or pay fees to withdraw dividends.

The warnings also directed Ms G to a number of reliable internet links she could access to identify the hallmarks of investment scams. Moreover, during one of Revolut's manual review, Revolut's fraud specialist advised Ms G that there was a very high chance the transaction was being made as part of a scam.

Despite all of the above, Ms G continued to request the payments be processed by Revolut, without showing any sign of hesitation.

In that respect, I've also thought about Ms G's numerous payment cancellations during the scam may have been a sign that she was genuinely hesitant about what she was doing, and that therefore, a better intervention from Revolut could have used that hesitation to make Ms G realise she was being scammed and prevent further losses.

When Ms G cancelled her payments, she was asked to explain why. Ms G selected on one occasion that she was going to investigate the transaction further. On all other occasions she stated that was because the payment process was too complicated, but after a while she initiated the payment again.

Our service has been presented with no evidence whatsoever that Ms G completed any checks on the investment opportunity in the ways advised by Revolut or in any other way.

Moreover, I find it concerning that Ms G was a genuine customer of T, where she held a savings account. Therefore, I would have expected Ms G to be in a better position, compared to someone else that had never dealt with T before, to spot the differences between the genuine financial institution and the scam clone.

However, this apparent advantage didn't aid Ms G in identifying the scam, nor did it dissuade her from continuing to make payments to the scammer. This further persuades me of the hold the scammer had on Ms G and of her conviction in wanting to go ahead with the investment.

So, due to the above considerations, I'm unable to conclude that Ms G most likely conducted further checks on the investment in between payments, when she said she would, due to holding genuine doubt about what she was doing. On the other hand, I believe it's most probable that Ms G cancelled those payments on the Revolut app, in an effort to avoid friction and a fraud specialist's manual review.

Finally, I've taken into account that the scam's premise was implausible. Ms G argued that the scam was incredibly sophisticated and professional but, having reviewed the screenshots of the conversations with the scammer, I don't think the interactions were very professional or that the scammer came across as particularly knowledgeable.

Ms G was promised guaranteed returns and was told that, having invested about £1,500 she had accrued over £64,000 in returns over seven days. She was asked to pay incredibly high amounts to withdraw the funds on, not one, but three separate occasions, and, at no point in between those unreasonable requests and Revolut's interventions, Ms G decided to take a step back to verify if she was ultimately sending money for legitimate purposes.

Ms G also borrowed extensively to meet the scammer's demands and only reported the scam when she ran out of funds entirely. The chats with the scammer don't show Ms G lost belief in the investment or labelled it as a scam at any point. What is apparent instead is her insistence in trying to recoup the money she had invested in the first place.

So, I've found that Ms G was most likely acting out of fear and desperation as opposed to reasonableness during the scam, which ultimately clouded her judgement and made it impossible for her to be receptive to Revolut's advice, not matter how relevant or impactful.

In light of these considerations, I think it's most likely that Ms G would have continued to make payments towards the scam until she had any money to send, in the hope of retrieving at least some of her funds. It follows from the above that she would have most likely found other ways to send funds to the scammer, even if Revolut had blocked her account and payment facilities.

Overall, based on all of the above, I believe that, on the balance of probabilities, Revolut wouldn't have been able to prevent Ms G's loss, even if it had intervened earlier in the scam.

Recovery

I'm unable to comment on whether Revolut could have done more to recover the funds once it had become aware of the scam.

This is because Revolut's recovery of cryptocurrency is an activity out of my jurisdiction, in line with what I've already explained above.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 15 May 2026.

Daria Ermini
Ombudsman