

The complaint and background

Mr S, via a representative, complains that Revolut Ltd (“Revolut”) didn’t do enough to protect him when he fell victim to an investment scam.

Mr S brought his complaint to our Service as Revolut had declined to reimburse him for his losses. Through his representative, he advised the disputed transactions were made between August and December 2023 and provided a table of payments dating from August 2023 until July 2024. Based on the final response, Revolut’s understanding of the complaint was that the disputed payments started on 23 August 2023. Mr S believes that Revolut should have protected him from financial harm, given the large payments he was making in a single day.

Our investigator considered the complaint. He explained that the transfer of cryptocurrency isn’t a regulated activity. But that our Service has the jurisdiction to consider the acceptance of deposits into the account, the use of the account to exchange fiat currency into cryptocurrency, and any attempted or completed bank transfers or card payments made as a result of the scam.

The investigator requested further details about which payments should be included. Having done so, he concluded that as Mr S had made a payment (an exchange) of around £60,000 on 20 August 2023 – which hadn’t been raised as a disputed payment – Revolut wouldn’t have felt the need to make enquiries around any of the other payments in dispute. This was because they were for substantially lower amounts. But he noted that, despite this, there had been an intervention on a payment for £10,000 made on 23 August 2023. Within this intervention, Mr S had indicated that he’d been introduced to the investment by friends and family, which was seemingly inaccurate – as he told our Service he’d been added to an investment group on a messaging service out of the blue.

In summary, the investigator didn’t consider that Mr S had engaged with the warnings he’d been presented. And he didn’t think Revolut ought to have been concerned about the exchanges into cryptocurrency as these were in line with Mr S’s account activity.

Mr S, via his representative, disagreed. He said the payments during this period were highly unusual, both in size and nature, and required thorough questioning. And that, contrary to the initial submissions, the payment of around £60,000 was part of the scam so should have been picked up on. He didn’t think the warnings from Revolut went far enough and felt that direct contact should have been established to determine whether Mr S was being misled.

So the complaint was passed to me. I asked Mr S for some further information. This was because it appeared that Mr S had been involved with cryptocurrency both before and after the scam (based on the dates involved and the statements I’ve seen). And I asked further questions around the £60,000 transaction which had been crucial in the investigator’s consideration of the complaint – including the source of these funds, why it was exchanged to cryptocurrency and the majority of it exchanged back so quickly, and why it was originally not raised as a disputed transaction but raised later on.

In response, Mr S advised that he’d made small cryptocurrency investments prior to the

scam, and that he does still occasionally trade in cryptocurrency. In relation to the £60,000, he said the funds had been transferred from his business account, which I'll refer to as 'C'. He said that he couldn't recall why this had been exchanged to cryptocurrency and back to fiat currency due to the passage of time.

I contacted Mr S informally to let him know my initial thoughts. Within this, I explained that there appeared to be contradictory information provided in terms of the £60,000 and whether it was or wasn't part of the scam – but how it was a key consideration as it was either one of the first payments to the scam, or was a legitimate payment made just prior to the scam. And this would therefore impact whether many of the disputed payments ought to have appeared unusual. Similarly, there was a payment of around £32,000 made to what appears to be an investment in precious metals around this time (two days later on 22 August 2023) which hadn't been raised as a disputed payment.

I explained that, to date, our Service hadn't been provided with sufficient evidence around which payments were made to the scam – we had Mr S's testimony that the payments from August 2023 until July 2024 were those in dispute, though different payments had been raised following the initial complaint. And there was also insufficient proof that the money was lost to a scam as we'd not been provided with evidence of communication with the scammer, nor of where the cryptocurrency payments were sent to. There was nothing to differentiate between the legitimate payments Mr S made and those in dispute.

Mr S responded to advise that he believed the £60,000 exchange was made as part of the scam, that he only took funds from C for the purpose of the scam, that the investment in precious metals was unrelated to the scam, and that he was having difficulty in obtaining supporting evidence of the loss as requested. He was subsequently able to provide a small number of undated screenshots from a messaging service which made reference to the platform Mr S said was involved in the scam, and provided wallet codes, along with evidence of eight payments being made to these wallets.

I got in touch once more informally to explain my current position. I expressed that I hadn't received sufficient evidence of the inclusion of the £60,000 in a scam, which I considered to be even more essential due to the change in testimony surrounding this payment. And given that limited evidence had been shared and only about a small number of the disputed payments, I didn't consider it enough to conclude that all of the disputed payments raised were linked to a scam. So I explained that if I were to issue a decision, this would centre around the proof of loss.

Mr S's representative explained that the most compelling evidence that the £60,000 formed part of the scam was that he hadn't previously sent cryptocurrency from his Revolut account to an external wallet and yet did so on the same day as the exchange. It explained that he'd only ever bought cryptocurrency within Revolut prior to 20 August 2023 and that the scam payments had been made by making cryptocurrency withdrawals to external wallets.

The representative acknowledged the difference between the original complaint submission and later submissions, but said that there'd been closer inspection of the cryptocurrency statements following an initial review. And it said Mr S's recollection had improved. It reiterated that Mr S had never withdrawn cryptocurrency to an external wallet before 20 August 2023. And, on that date, payments were received from C which were specifically for the scam and he made his first (and second) ever external crypto withdrawal. He'd never made cryptocurrency purchases of more than £1,300 previously which then increased dramatically to £60,000 before sending a total of £190,000 across two financial providers to the scam. Overall, it believes it's provided sufficient evidence that the £60,000 payment was made to the scam.

So, having provided ample opportunity for all available evidence to be provided, I issued a provisional decision. In this, I said:

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

Having done so, I maintain my earlier position that I’ve not been provided with sufficient evidence that a scam has taken place. Or, if I were to accept it has, which payments were involved in the scam. Without this, I don’t consider that it would be fair or reasonable to conclude that Revolut failed to take action that would have prevented Mr S from incurring a loss as a result of a scam.

Based on the evidence I’ve seen, Mr S hasn’t provided a clear and consistent version of events surrounding which payments are in dispute. As mentioned previously, there’s insufficient evidence to differentiate payments that were made as part of the purported scam to those that weren’t; there have been inconsistencies around the timelines involved; and payments have latterly been raised as disputed that originally weren’t. And the payments that were latterly raised don’t have supporting evidence – they’ve been introduced on the basis of a more thorough analysis of transactions and the improvement of Mr S’s recollection.

However, not only do I consider it unusual for recollections to improve with the passage of time, but there continue to be gaps in this recollection. For example, in terms of the £60,000 exchange, Mr S’s representative advised that he “does believe this exchange was made for the purposes of the scam” but also that he couldn’t remember why it was made into cryptocurrency before being transferred back into fiat currency. So I’m not currently persuaded that there’s enough evidence to support that this payment was being made to a scam.

My understanding is that the communication with the scammer has been deleted. So it’s unclear how a small number of screenshots of the interaction with the scammer have been provided. But, putting that aside, the information contained within these screenshots is quite limited. I can see that a wallet address is provided and this correlates with the address that some of the payments were made to. But these are undated screenshots and there’s very little evidence here to demonstrate that the payments were being made as the result of a scam, due to the lack of surrounding conversation. And, even if I were to accept the information being provided here, this covers a very limited number of the payments in dispute.

With the exception of these screenshots, the only evidence provided is through Mr S’s testimony which, as I’ve explained, has been somewhat inconsistent. His representative appears to have focused on the change in behaviour to evidence that he was the victim of a scam, and of the resulting losses. By this I mean that until August 2023, Mr S hadn’t made large payments or exchanges involving cryptocurrency, nor had he externally withdrawn cryptocurrency.

But I don’t consider this to be sufficient in the overall circumstances of this complaint. While I can see that there was a change in behaviour around this time, it doesn’t follow that this is sufficient proof that Mr S had become involved in a scam. It could also be argued that the significant investment in precious metals at the time was a change in behaviour too. But Mr S has advised that this wasn’t part of the scam, which demonstrates that a change in payment behaviour isn’t necessarily as a result of a scam. So I’m not currently persuaded that there’s sufficient evidence that Mr S was the victim of a scam – nor do I think the evidence provided points to it being more likely than not.

Considering everything I've seen and been told, I don't consider that there's enough clarity around the scam, or which payments were involved. So I don't think it would be fair to conclude that Revolut has failed to take action that could have prevented Mr S's loss – as, before even getting to the actions (or inactions) or Revolut, I would need to be satisfied there'd been loss to a scam, and what those losses were. For these reasons, I don't currently think it would be fair to uphold this complaint."

Revolut didn't reply. But Mr S, via his representative, did. It said that the available evidence demonstrates, on the balance of probabilities, that Mr S was the victim of a scam with the most compelling evidence that the £60,000 formed part of the scam being the unprecedented change in Mr S's cryptocurrency behaviour. It considers that it would be a very big coincidence for Mr S to suddenly deposit £60,000 into his account on the same day he started sending funds out of his Revolut account, before continuing to send further amounts to wallet addresses controlled by the scammers. It also said that Mr S only withdrew business funds from C for the purposes of the scam.

The representative noted that it had provided evidence of cryptocurrency being sent to wallet addresses provided by the scammers, as well as funds being sent to a wallet named after the scam itself. So it submits that the evidence demonstrates a substantial amount of the disputed funds were transferred to the scammers.

As all parties involved have now had ample opportunity to provide evidence, I'm now in a position to provide my final decision.

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.

While I know this will come as a huge disappointment to Mr S, my overall position hasn't changed – I'll explain why.

Based on everything I've seen and the evidence presented, I'm not satisfied that sufficient proof has been provided around the payments involved in the scam. It remains that there are inconsistencies, as well as gaps in the evidence provided.

As previously outlined, originally the disputed payments raised were between August 2023 and July 2024. But additional payments were later raised. Mr S also appears to have invested in cryptocurrency before and after the disputed payments. Based on the limited exchanges I've been provided between Mr S and the purported scammer, I'll reiterate here that there's not enough to differentiate between legitimate payments Mr S made and those in dispute.

I acknowledge that Mr S has provided several wallet addresses which were noted in the communication he's provided between himself and the scammer, which correspond with wallets that were linked to his Revolut account. But in amongst the largely undated screenshots, which weren't seemingly provided in any particular order, there's very little suggestion of how many payments were made to each of the wallets. The evidence overall doesn't sufficiently support the number of payments in dispute. And, within the communication, there's also minimal context around the payments and why they were being made.

In terms of the £60,000 exchange which is a particular point of contention as it wasn't raised initially, the representative advised that Mr S "*does believe this exchange was made for the purposes of the scam*". Mr S's representative has also expressed the probability of this

amount being involved in the scam due to the large coincidences involved should it not be. But I don't find the evidence presented here to be persuasive, particularly given the inconsistencies surrounding the funds. For example, it's been said that Mr S only used funds from C for the purpose of investing in the scam. But, looking at account statements provided, there were incoming funds from C for substantial sums dating back to 2021.

Mr S's representative has also raised the unprecedented change in his behaviour in relation to cryptocurrency as compelling evidence of the £60,000 being part of the scam. But just two days after this exchange, Mr S made a payment of over £30,000 to invest in precious metals. And this wasn't part of the scam. So, while there *may* have been a change in behaviour in terms of cryptocurrency, there were other (undisputed) investments being made at the same time. And given that Mr S was already investing in cryptocurrency, it doesn't seem unreasonable that some of these payments could have been cryptocurrency-related but not part of the scam.

Ultimately, while Mr S might have been the victim of a scam, and I note that there is evidence suggesting he was – not least his own testimony – I'm not satisfied that sufficient proof has been provided of the disputed payments. And the discomfort I have around the inclusion of the £60,000 in particular has a knock-on effect on the remaining payments. I say this as, if this exchange was for legitimate purposes, as opposed to the purported scam, the remaining transactions – including those where we can see the wallet code matches that given within the limited communication – arguably look like normal account activity. And that would limit the expectations on Revolut.

I also think it's important to note here that if I were to look beyond the issues raised within my provisional and final decision, I would need to determine that there'd been a failing on Revolut's part. And, from here, I'd also need to determine that this failing had a material impact on Mr S's loss.

As outlined previously, the limited communication seems to suggest that trust had developed between Mr S and the purported scammer, with some evidence of coaching. And, when Revolut did intervene, Mr S provided inaccurate answers to some of the questions he was asked, such as by indicating that he'd been introduced to the investment by a friend or family member, as opposed to receiving a message out of the blue. So, from the evidence provided, I'm also not persuaded that further (proportionate) enquiries would have prevented Mr S's loss.

I've thought carefully about all of the evidence provided. And in the circumstances of this particular case – with recognition of the inconsistencies and gaps in the evidence – I don't consider it would be fair and reasonable to make assumptions in favour of Mr S's version of events that aren't supported by the available evidence.

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 S to accept or reject my decision before 7 May 2026.

Melanie van der Waals
Ombudsman