

The complaint

Mr M complains Revolut Ltd didn't do enough to protect him when he fell victim to an investment scam.

What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

On 7 July 2023, Mr M paid €5,750 to what he believed was a legitimate investment scheme. Mr M became suspicious when he asked to withdraw his profits and initially received a £1,200 credit from an unknown individual's account. He realised he'd been scammed when the person he'd been communicating with stopped responding to him when he asked to withdraw his remaining balance.

Mr M initially tried to recover his losses from Revolut, but it refused to reimburse him as it said it had provided a proportionate warning at the time which Mr M ignored. It also said that while it had made reasonable attempts to recover Mr M's funds, these were ultimately unsuccessful.

Unhappy with the outcome, Mr M referred a complaint to the Financial Ombudsman with the support of a professional representative ("C"). Our Investigator didn't uphold the complaint. Although she found Revolut ought to have asked Mr M more questions about his payment, our Investigator wasn't persuaded this would ultimately have prevented his loss. This was because Mr M had already been pre-warned by the scammers that Revolut would likely block the payment and that it would not allow a payment to a personal account if it was labelled as an investment. Mr M therefore selected that the payment was a "*Transfer to a 'Safe Account'*". Given what Mr M had been told by the scammers, and as he was prepared to move past the warnings that were presented, our Investigator was not persuaded a proportionate intervention or warning would have prevented the loss.

C asked for the matter to be referred for a decision. It said Revolut's intervention was not specific enough to break the spell of the scammer. But it considered that had Revolut asked more tailored, probing, and open-ended questions this would have uncovered the scam and prevented Mr M's loss.

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.

Having done so, I have reached the same conclusion as our Investigator and for largely the same reasons. I realise this is not the outcome Mr M was hoping for. To be clear, I am in no doubt that Mr M has fallen victim to a cruel and sophisticated scam. But while I appreciate he has lost a considerable sum of money as a result, I must consider whether Revolut is responsible for the loss he's suffered. Having carefully considered the available evidence, I'm not persuaded it is. Because of this, I don't think Revolut acted unfairly by not refunding

Mr M's loss. I will explain why.

It isn't in dispute that Mr M authorised the transaction 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.

Indeed, Revolut did recognise that Mr M's payment posed an increased risk that it related to a scam. Before processing the payment Revolut presented Mr M with a broad scam warning and asked him his payment purpose. Mr M selected "*Transfer to a 'Safe Account'*", this was despite "*Investment*" being an option. Revolut then presented him with a set of dynamic educational story messages relevant to safe account scams and gave him the option to "*Pay anyway*", "*Cancel payment*", "*Get advice from agent*" or "*Read our scam guidance*". Mr M selected to continue making the payment, and so the payment was processed in accordance with his instructions.

I agree with C that, based on what it knew at the time, Revolut's intervention ought to have gone further than it did. At the point Mr M selected "*Transfer to a 'Safe Account'*", Revolut was on notice that there was a significantly heightened risk that Mr M may be at risk of financial harm due to a scam – specifically a safe account scam. As such, I consider that Revolut should not have processed the payment until it had satisfied itself that Mr M was not, in fact, falling victim to a safe account scam and that he had simply selected the option in error. It could not achieve this via the onscreen warning it presented. Instead, I think a proportionate response to that risk would have been for Revolut to have attempted to establish the circumstances surrounding the payment before allowing it to debit Mr M's account. I think it could have done this by, for example, directing Mr M to its in-app chat to discuss the payment further.

Having established that I think Revolut ought to have done more, I must go on to consider whether I think proportionate intervention from Revolut, as I have described, would more likely than not have prevented Mr M's loss. In this case, I'm not persuaded it would have.

It's impossible to know with any certainty how Mr M would have responded had Revolut asked further probing questions about his payment, as I'd have expected it to. I've therefore considered the overall circumstances of what happened - including what Mr M has told us about his interactions with the scammer – to reach a conclusion on what I think would most likely have happened had he been asked further relevant questions.

Mr M has explained that the scammers advised him that due to an issue with its banking system, payments had to be made via a personal account. He was warned that Revolut would not allow a payment to a personal account if it was labelled as an investment, and so he should select that he was transferring it to a "safe account". Despite Mr M's own suspicions, he accepted the scammer's guidance and chose a payment reason that did not reflect what he believed he was doing.

I think it is important to note that while Revolut recognised there was a heightened risk of financial harm, it was largely reliant on the information Mr M provided, to understand the actual risk he faced. Given what Revolut knew about Mr M's payment, I don't think it ought to have been on notice that Mr M's payment related to an investment, particularly as his payment had been made to an individual and he had not selected investment as a payment option. So, I would not have expected Revolut to provide an investment warning, unless Mr M had revealed that's what he was doing.

Had Revolut asked Mr M further probing questions about his payment, I think it's more likely

than not he would have provided Revolut with an answer that disguised the true purpose and intent of the payment. I say this because he'd already agreed to provide an inaccurate answer to enable the payment to proceed without being blocked by Revolut, and he had specifically been told by the scammer Revolut would not permit a payment to be made it related to an investment.

But even if Revolut had provided Mr M with a scam warning that covered off investment scams, regardless of his answers, I'm not persuaded he would have engaged with it sufficiently to dissuade him from making the payment. I say this because Mr M disregarded Revolut's warning that ought to have resonated with him – specifically *“Financial institutions won't ask you to [...] download software to allow them access to or view your device, ignore warnings, or share sensitive info”*. Mr M has told us he had downloaded remote access software, which was used to access his devices, he'd also been told to ignore warnings.

As such, I'm not persuaded that proportionate intervention from Revolut would more likely than not have uncovered the scam or resulted in Mr M choosing not to go ahead with his payment.

I've also considered whether, on being alerted to the scam, Revolut could reasonably have done anything more to recover Mr M's losses, but I don't think it could. Revolut has provided evidence that it contacted the beneficiary account on the same day it was notified of the scam to request the return of any remaining funds. Unfortunately, it was later informed that no funds remained in the account. I'm satisfied Revolut did all it was required to do here.

In conclusion, I have a great deal of sympathy with Mr M being the victim of what was clearly a cruel scam. But it would only be fair for me to direct Revolut to refund his losses if I thought it was responsible for them, but for the reasons I have explained above I'm not persuaded it was.

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 Mr M to accept or reject my decision before 12 June 2025.

Lisa De Noronha
Ombudsman