

## The complaint

Mr A complains Revolut Ltd ("Revolut") didn't do enough to protect him when he fell victim to a scam.

## What happened

Both parties are familiar with the circumstances of the scam, so I'll only summarise the details here.

Mr A said in October 2023 he was looking for part-time employment. He said he found a company online and registered his interest. Mr A said he was contacted by someone who I'll refer to as the scammer, who explained the opportunity was associated with a well-known supermarket and involved reviewing its products to enhance sales. He said he found the scammer to be professional and credible. Mr A said the scam website appeared genuine and the scammer helped him set up an account over a messaging app. He told us the scammers told him to open a Revolut account to receive his salary, and the scam involved him purchasing cryptocurrency.

Mr A said to begin with the opportunity progressed as he'd expected but he found his account was in a negative balance which the scammer said was because he'd been upgraded and would now receive higher commission but first needed to clear the negative balance, so he made a payment to do this. He said this happened again and again he made a further payment to clear the balance. Mr A told us he took two loans with high street banks to fund the scam having already used his life savings.

Mr A said he realised he'd been scammed when he requested to access his funds but was instructed to make further deposits and when he refused his account was locked.

Below are the payments Mr A made towards the scam from his account with Revolut to purchase cryptocurrency:

Payment	Date	Type of transaction	Payee	Amount
1	6 October 2023	Transfer	Payee 1	£4,150
2	7 October 2023	Transfer	Payee 1	£7,785
3	12 October 2023	Transfer	Payee 2	£5,700
4	13 October 2023	Transfer	Payee 2	£9,500
5	14 October 2023	Transfer	Payee 2	£6,060
6	17 October 2023	Transfer	Payee 3	£5,280
7	18 October 2023	Transfer	Payee 2	£8,775

Mr A complained to Revolut, and his complaint wasn't upheld. Unhappy with Revolut's response, he raised the matter with the Financial Ombudsman. One of our Investigators looked into the complaint and didn't think Revolut acted unreasonably. They felt Revolut had given proportionate warnings and tried to establish the purpose of the payments before processing them but had been hindered as Mr A hadn't given accurate information. Our Investigator concluded any further interventions from Revolut were therefore unlikely to uncover the scam.

Mr A didn't agree. In summary, he said he didn't intend to deceive Revolut and had been following the direction of the scammer in good faith. He deeply regretted this and didn't mean to put his money at risk. He said the scam was sophisticated and has left him in financial hardship as he's struggling to repay the money he borrowed to fund the scam.

As an agreement could not be reached, the complaint has been passed to me for a 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.

I'm sorry that Mr A has been the victim of a cruel scam. I realise he's lost a significant sum of money and I don't underestimate the impact this has had on him. And so, I'd like to reassure him that I've read and considered everything he's said in support of his complaint. But I'll focus my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. I know this will come as a disappointment to Mr A but having done so, I won't be upholding his complaint for broadly the same reasons as our Investigator. I'll explain why.

In broad terms, the starting position at law is that banks and other payment service providers are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

Mr A authorised the payments in question here – so even though he was tricked into doing so and didn't intend for his money to end up in the hands of a scammer, he is presumed liable in the first instance.

But as a matter of good industry practice, Revolut should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: as while banks and Electronic Money Institutions should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.

I've thought about whether Revolut acted fairly and reasonably in its dealings with Mr A when he made the payments, or whether it should have done more than it did. In doing so I've considered what Revolut knew about the payments at the time it received Mr A's payment instructions and what action, if any, Revolut took prior to processing the payments.

Revolut told us as some payments were to a new beneficiary it displayed a warning to Mr A asking if he knew and trusted the payee and if he was unsure not to pay them. The warning also said Revolut may not be able to help him get his money back and gave a reminder that fraudsters can impersonate others. Mr A continued past this warning both times.

When Mr A made payments 1, and 3 to 7 Revolut displayed a warning that '*something doesn't look right*', that the payments had been flagged as being a potential scam and Revolut needed to ask Mr A some questions to continue. Mr A was asked for the payment purpose and for payment 1 he selected '*Buy or rent goods and services*' and for payments 3 to 7 he selected '*Pay a family member or friend*' when we know this wasn't the case. Mr A

told us he did this at the direction of the scammer and has provided evidence to support he was following the scammer's instruction.

For all payments Mr A was asked further probing questions. He was asked to answer truthfully and told if he was being scammed, a fraudster may ask him to hide the reason for the payment, which is what had happened.

For payment 1 (where Mr A said the purpose of the payment was *'Buying goods or services'*) Mr A said the item was averagely priced, or more expensive, he knew/had met the seller and had seen proof of ownership. We know this wasn't the case. Revolut then displayed tailored scam warnings based on the answers Mr A gave. The warnings didn't resonate with him and it's likely because they weren't relevant to the scam he was falling victim to. However, because he'd answered Revolut's questions inaccurately it prevented Revolut from being able to provide a tailored warning that better reflected the scam he was falling victim to. He was then shown a risk agreement which stated Revolut had warned him the payment was suspicious, and he understood the risk of losing his money, he signed his name, and the payment was processed.

Revolut intervened in a similar way for payments 3 to 7. The difference being the probing questions it asked were related to the payment purpose Mr A gave for those payments which was *'Pay a family member or friend'*. As before, he was asked to answer truthfully and told if he was being scammed, a fraudster may ask him to hide the reason for the payment. Mr A went on to answer the questions Revolut asked inaccurately. When asked if anyone had told him how to answer the questions, he said no. That he was paying someone for something they'd purchased on his behalf and that he'd received the bank details *'face to face'*. We know this wasn't the case. Mr A was then presented with tailored scam warnings based on the answers he'd given. Again the warnings didn't resonate with Mr A and it's likely because they weren't relevant to the scam he was falling victim to. In continuing to answer Revolut's questions inaccurately Mr A hindered Revolut from being able to provide a tailored warning that better reflected the scam he was falling victim to. He signed risk agreements for these payments before they were processed.

When Mr A made payment 2 he was shown a warning which clearly informed him Revolut thought he was being scammed. It said, *'We think you're being scammed'*. The warning continued that as the payment had flagged as a potential scam to continue Revolut needed to ask Mr A some questions.

Revolut's intervention then followed the same payment journey as payments 3 to 7. However, after deciding to continue past the tailored scam warnings Revolut held the payment further and human intervention was carried out via Revolut's in-app chat. Mr A begins by asking Revolut to process the transfer quickly, he says it's legitimate and he's paid the beneficiary previously. Revolut explains the payment has been held to protect Mr A from a potential scam, the payment is considered high risk and if he chooses to make the payment the most likely outcome is Revolut won't be able to get his funds back. A purchase scam warning is given based on the answers Mr A previously gave. Mr A asks Revolut to proceed and he's directed to consider the payment and fraud information he's been given and to decide if he'd like to continue with the transfer.

I've thought carefully about whether Revolut's actions were proportionate to the risks these payments presented and I think they were. Revolut held each payment and attempted to establish the circumstances of them. As mentioned above in some detail Mr A didn't provide accurate information which prevented Revolut from being able to provide better suited scam warnings. I think Revolut could have asked more probing questions during the in-app chat but considering Mr A's insistence that the payment be processed and him giving inaccurate information to Revolut, I'm not persuaded he'd have positively engaged with any further

questioning from Revolut such that it would have uncovered the scam. I therefore think it was reasonable for Revolut to process the payments in-line with Mr A's instructions.

Additionally, the bank from which the funds originated intervened several times when Mr A moved funds from his account with it to Revolut. I've listened to calls Mr A had with that bank and I found he also didn't give it accurate answers to the questions it asked. Among other things, Mr A was asked if anyone asked him to open an account with Revolut and he said no. He was asked if he'd been asked to lie to the bank or about the reason for the payments to which he also said no. Mr A has also told us he didn't declare the true purpose of the loans he took with high street banks to fund the scam.

I think that Revolut's interventions were proportionate to the risks the payments presented and believe that even if it had intervened further, I think it's unlikely he would have answered the questions accurately such that Revolut could reasonably have uncovered the scam. And given that Mr A appeared to be under the spell of the scammer, and that previous scam warnings hadn't resonated with him, I'm not persuaded that any further intervention or warnings from Revolut would ultimately have prevented him from making the payments.

I'm sorry to disappoint Mr A further, but I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Revolut needs to refund his money or pay any compensation. I realise this means he is out of pocket and I'm really sorry he's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

### *Recovery*

I've thought about whether there's anything else Revolut could have done to help Mr A — including if it took the steps it should have once it was aware that the payments were the result of fraud.

I agree with our Investigator that the payments were more likely than not to a seller of cryptocurrency which are known as peer2peer payments. And in such instances there's no real prospect of successful recovery of funds as the customer typically, as is the case here, has been provided with the cryptocurrency they purchased which was later passed on to the scammer. In any event Revolut attempted to recover the funds but was unsuccessful. I don't think there's any more Revolut could have done to recover Mr A's funds.

### **My final decision**

My final decision is that I do not uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 16 July 2025.

Charlotte Mulvihill  
**Ombudsman**