

The complaint

Ms M complains that Revolut Ltd (“Revolut”) failed to refund money that Ms M lost as part of a scam.

What happened

Ms M was contacted by a person who said that Ms M could earn money by working for a company that I will call B. Ms M was told that she needed to review hotels and that she would be paid for these reviews. But once she started, she was told that she had to pay fees to unlock her earnings.

Ms M made over 10 payments to crypto exchanges and to bank accounts linked to the scammer, totalling over £9,000 via card payments and bank transfers. The funds were then sent on to B.

Ms M was unable to withdraw the earnings that B said she made – which were being displayed on the scam company website. It was at this point she realised that she had been scammed.

Ms M raised a complaint with Revolut as she thought that it should have prevented her from sending the funds to the scammer and she requested that she be refunded the transactions in question.

One of our investigators looked into this matter and they did not uphold this complaint.

Ms M did not agree with this and therefore her complaint was passed to me to issue 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.

In broad terms, the starting position at law is that an Electronic Money Institution (“EMI”) such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators’ rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including 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 firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multistage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

Revolut intervened later in the scam and asked questions about the payments that Ms M was making. During this intervention, Ms M was asked a number of questions about the payments that she was making and she gave answers that were not accurate which reassured Revolut that the payments were not part of a scam. She said that she was making a payment in order to pay someone who had done building work on her parents' house in Italy and when questioned about a different payment, she said that she was paying for electrical work.

From this, it is clear that she was convinced that what she was doing was not a scam, given that she was willing to give misleading answers to Revolut about the circumstances of the payments.

I think that Revolut should have intervened earlier in the scam than it did. I also agree with Ms M's representative that, given that the earlier payments were to a crypto exchange, the reason she gave for the payments later in the scam would not have been convincing if she used them for payments to a crypto exchange. That said I am also mindful that Ms M says she was not told by the scammer to lie to her account provider, but despite that, she still did so. This suggests that the cover story that Ms M provided later in the scam was something that she came up with herself. So I think on balance that Ms M would have provided a different reason designed to allay any suspicions had Revolut intervened earlier than it did.

Also, Ms M eventually sent the funds to a different current account that she held to facilitate later payments, when she was unable to send funds directly to the scammer from her Revolut account. So I think that, if Revolut had prevented the payments entirely, Ms M would have found a different way to send funds to the scammer.

Ultimately Revolut was only required to take proportionate steps to try and protect Ms M from financial harm. I'm not persuaded she would've shared anything concerning with Revolut had it questioned her more about what she was doing. So overall, I think that Revolut should have intervened earlier than it did. But I do not think that this would have likely stopped or uncovered the scam.

I've also thought about whether Revolut did enough to attempt to recover the money Ms M lost. In this instance, the Contingent Reimbursement Model does not apply as Revolut are not part of it. I also don't think that a chargeback should have been attempted, as the payments were essentially a means to send funds from her Revolut account to the crypto exchanges - which is what happened. I also note that as soon as the scam was reported Revolut attempted to recover the funds that were sent as a transfer to a third parties current account. My understanding is that these funds were recovered. So I don't think Revolut needed to do anything more.

I appreciate this will come as a disappointment to Ms M, and I'm sorry to hear she has been the victim of a scam. However, I'm not persuaded that Revolut can fairly or reasonably be held liable for her loss in these circumstances.

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 M to accept or reject my decision before 25 July 2025.

Charlie Newton
Ombudsman