

The complaint

Mr S complains Revolut Ltd won't refund money he lost to a scam.

A representative who I will call "W" complains on behalf of Mr S.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

In September 2023, Mr S was introduced to investing in cryptocurrency by an individual he met online. I will refer to this individual as "Ms A."

Between 7-27 October, Mr S made 16 payments totalling over £88,000, on the belief the money would be invested. When Mr S wanted to withdraw his money, he was told he needed to pay fees, and it was only after making these payments and not getting his money that he realised he'd been scammed.

W complained to Revolut on Mr S's behalf. They said that had Revolut intervened further and asked more probing questions earlier in the scam journey, it could have been uncovered, especially given the transactions were inconsistent with Mr S's previous account activity and were made to new payees. They also said that banking protocol should have been invoked and Revolut should have spoken with Mr S directly.

Revolut explained they had intervened on most of the payments, asking Mr S if he knew who he was paying, and for some payments also asking him to discuss things with an advisor via their online chat function. As Mr S had misled them on every occasion, Revolut were of the view they wouldn't have been able to prevent the scam at any stage.

W brought Mr S's complaint to our service. Our Investigator looked into everything but didn't think Revolut should refund the money Mr S lost. While they were of the view that Revolut could have done more and should have asked more probing questions, they didn't feel that any intervention would have worked as Mr S was so heavily under the spell of the scammer, in terms of the investment, but also in a romantic way.

Because of this, our Investigator didn't recommend Revolut should reimburse any of the money lost. They were also satisfied that Revolut couldn't have recovered any of the money either.

Mr S didn't agree and so the complaint has been passed to me for review.

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, it's because 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 as it simply reflects the informal nature of our service as a free alternative to the courts.

I don't doubt Mr S has been the victim of a scam here – he has lost a large sum of money and has my sympathy for this given the circumstances. However, just because a scam has occurred, it does not mean that he is automatically entitled to a refund from Revolut. It would only be fair for me to tell them to reimburse Mr S for his loss (or a proportion of it) if I thought they reasonably ought to have prevented all (or some of) the payments made, or that they hindered the recovery of them.

I've thought carefully about whether Revolut treated Mr S fairly and reasonably, both when he made the payments and when he reported the scam, or whether they should have done more than they did. Having done so, I've decided to not uphold Mr S's complaint. I know this will come as a disappointment to him and so I want to explain why I've reached the decision I have.

I have kept in mind that Mr S made the payments himself and the starting position is that Revolut should follow their customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) he is presumed liable for the loss in the first instance. I appreciate that Mr S didn't intend for his money to ultimately go to fraudsters – but he did authorise the payments to take place. However, there are some situations when Revolut should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

So, the starting point here is whether the instructions given by Mr S to Revolut (either individually or collectively) were unusual enough to have expected additional checks to be carried out before the payments were processed.

I can see that Revolut's systems flagged a lot of the payments made by Mr S. He was shown a warning relating to new beneficiaries on multiple occasions, and for a lot of the payments I can see that when asked, he said he was paying a family member or a friend who he had paid before, buying or renting goods and services from an online retailer, or that he had obtained bank details face to face – all of which weren't factually correct.

Had Mr S been open and forthcoming with Revolut they may have been able to uncover the scam. Unfortunately, due to Mr S not disclosing the true circumstances of the payments, Revolut weren't able to identify any red flags. And so, they were reassured that Mr S was making the payments for genuine purposes.

I do however accept that Revolut, arguably, could have intervened further and asked more probing questions before processing some of the disputed payments. This includes the payment for £27,000 made on 8 October 2023, along with some others that followed. However, even if they had done so, I'm not persuaded any further intervention, even speaking to him in person would've prevented Mr S's loss. I'll explain why.

From reading the conversations Mr S had with the scammer, it is clear he was sadly, very heavily under their spell. Mr S clearly trusted the scammer, as he began by letting her know he didn't get involved with things like cryptocurrency and wanted to do some research first but was led into getting involved within a matter of days. He also let her know that he had provided wrong answers when making some payments, showing he was willing to provide inaccurate information in order to invest his money. There was also a romantic connection between them both, where they discussed what they did each day, meeting up in the future and generally enjoying each other's conversation.

This, to me, shows that Mr S was clearly under the spell and to a degree whereby he was willing to trust and follow the scammers' instructions regardless of the risk that he might lose his money. Because of this, even if Revolut had intervened further, I consider it most likely that Mr S would've acted in a similar manner – that being he wouldn't have provided an accurate account of why he was making the payments, and that he would've likely alleviated any concerns Revolut might have had.

Because I'm not persuaded that any intervention would have deterred Mr S from making the payments he did, I won't be asking Revolut to reimburse any of the funds lost. I know this will be a disappointment to Mr S, and I am sorry to read of the difficult situation he's in as a result of the scam. But I don't think Revolut is responsible for his loss and so, it wouldn't be fair or reasonable for them to provide a refund.

Recovery

After the payments were made, I couldn't reasonably expect Revolut to have done anything further until Mr S told them he had been scammed.

Unfortunately, as Mr S paid the money to cryptocurrency wallets in his own name before forwarding it on as part of the scam, any attempt at recovery was hindered. I say this as Revolut would only be able to attempt recovery from where Mr S sent the payments, and we know that money was no longer under Mr S's control. If it had been, he could have returned it himself.

Regarding the debit card payment, the only method of recovery Revolut had was to request a chargeback. However, Mr S didn't make the card payments to the scammers directly, he paid a cryptocurrency exchange. The fact that the cryptocurrency was later transferred elsewhere, to the scammers, doesn't give rise to a valid chargeback claim against the merchant Mr S paid because ultimately, the cryptocurrency exchange provided the service paid for.

Because of the above, while I can see they tried, I'm satisfied Revolut could not have successfully recovered any of Mr S's funds.

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 13 October 2025.

Danielle Padden
Ombudsman