

The complaint

Mr A complains that Revolut Ltd won't refund money he lost when he was a victim of a scam.

Mr A is represented by a firm I'll refer to as 'R'.

What happened

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

In 2024 Mr A fell victim to a task-based job scam. He was contacted via an instant messenger app by an individual offering a remote based opportunity working for a well-known high street and online store (which I'll refer to as 'X'). We now know it was a scam. The scammer explained to Mr A that the job entailed completing sets of tasks by evaluating different products to help X's merchants promote their products – thereby increasing sales.

The job paid a salary along with commission for completing the tasks. There were however 'parcel' tasks that provided a greater commission, but these put the account into a negative balance – which required the account to be funded. To do this, Mr A needed to purchase crypto from legitimate crypto providers before forwarding it on to X. As part of the scam, Mr A made the following debit card payments from his Revolut account:

Transaction Date	Payee	Amount
13 August 2024	Crypto Provider 1	£2,500
14 August 2024	Crypto Provider 1	£2,000
15 August 2024	Crypto Provider 2	£700.34
15 August 2024	Crypto Provider 2	£3,000
16 August 2024	Crypto Provider 2	£1,000
	Total	£9,200.34

Mr A has explained that when he requested to withdraw his funds, he was told he needed to pay fees. But despite paying these, he was told more fees were due. At this point, he realised he'd been scammed.

R complained, on Mr A's behalf, to Revolut on 8 October 2024. They said Revolut didn't do enough to protect Mr A from the scam – as they ought to have identified the payments as unusual, carried out further checks before processing them and provided relevant scam warnings. If this happened, the scam would've been uncovered and Mr A's loss avoided. R

also thought Mr A should be refunded under the Contingent Reimbursement Model (CRM) code. And they highlighted that Mr A was vulnerable at the time of the scam due to his health and life events. To settle the complaint, R said Revolut should refund Mr A in full (less any amount recovered) and pay with 8% interest.

Revolut didn't uphold the complaint. They said they'd raised chargebacks on the transactions to recover the funds lost. But they explained the chargeback process is framed by a very detailed and consistent set of rules. And, essentially, the process includes two types of claims – fraud or dispute – with dispute claims raised for these transactions. But the outcome was that the service was provided by the merchant and so, they had to reject the chargeback request.

The complaint was referred to the Financial Ombudsman. Our Investigator considered Mr A's complaint, but he didn't think Revolut had to do anything further. In short, he said:

- Revolut did stop a payment Mr A attempted to Crypto Provider 2 on 13 August 2024 (prior to the successful payments) and carried out additional checks – which consisted of an automated warning that involved asking him a series of questions surrounding the payment.
- Mr A provided Revolut with inaccurate information and mis-led them about the purpose of the payment.
- The conversation Mr A had with the scammer ('scam chat') shows he was being guided by them – with Mr A forwarding Revolut's questions to the scammer for direction. Mr A followed the scammer's instructions as to how to answer Revolut's questions.
- The warnings Revolut provided, which were appropriate, should've resonated with Mr A. Instead, he ignored them and continued to follow the scammer's advice.
- Even if Revolut had directed Mr A to their in-app chat function, this wouldn't have uncovered the scam as Mr A was under the scammer's spell. And so, he would've sought their guidance on how to respond (as he did with the automated questions).
- Revolut couldn't recover Mr A's funds via chargeback as he received the service paid for from the crypto providers.

R disagreed with our Investigator and asked for Mr A's complaint to be referred to an Ombudsman. They added that Mr A's vulnerabilities and circumstances at the time of the scam may have impacted his thought process. But that this hadn't been considered.

The matter has been passed to me to decide.

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 very sorry Mr A has been the victim of a scam. I realise he has lost a lot of money and so, I can understand why he would do everything he can to recover it. But I must consider whether Revolut is responsible for the loss he's suffered. Having done so, and while I realise this isn't the outcome Mr A is hoping for, for similar reasons as our Investigator, I don't think they are. Because of this, I don't think Revolut acted unfairly by not refunding the payments. I'll explain why.

Before I do, I want to reassure Mr A that I've considered everything R has submitted on his behalf. And so, while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings

focus on what I consider to be the central issue in this complaint – that being whether Revolut is responsible for the loss Mr A has suffered.

R has referred to Mr A's payments being refundable under the CRM code - which can offer a potential means of obtaining a refund following situations like this. Revolut however isn't a signatory of the CRM code and so, the payments aren't covered by it. I've therefore considered whether it would otherwise be fair and reasonable to hold Revolut responsible for Mr A's loss.

In broad terms, the starting position in law is that an Electronic Money Institution (EMI), such as Revolut, is expected to process payments that their customer authorises them to make. Here, it isn't disputed that Mr A knowingly made the payments from his Revolut account and so, I'm satisfied he authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Revolut are expected to process Mr A's payments, and he is presumed liable for the loss in the first instance.

However, 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.

Here, Revolut has shown that they did stop a payment Mr A attempted on 13 August 2024 to Crypto Provider 2 (prior to the £2,500 to Crypto Provider 1) and carried out additional checks. As part of this, they told Mr A that *"something doesn't look right"* as the payment was *"unusual and was flagged as a scam"*, and that *"to unblock future payments to similar merchants, we need to ask you some questions"*. Revolut then explained to Mr A that it was important he answered the questions honestly, warning that *"if you're being scammed, the fraudster may ask you to hide the real reason for this payment"*. Mr A confirmed that he understood he may not get his money back if he didn't answer Revolut's questions truthfully.

Despite this, as part of Revolut's questioning, Mr A confirmed:

- He wasn't being pressured to make the transfer, and that he was completing the transaction by himself.
- He selected 'I'm paying a family member or friend' as the payment purpose – despite there being the option of selecting 'It's related to a job opportunity'.
- The person he was paying hadn't asked for help urgently or unexpectedly, he had paid them before, and the bank account details had been provided 'face to face'.

We know however that this wasn't the true circumstances surrounding the payments Mr A was making – as it was for purchasing crypto for a job opportunity, he was being guided to make the transaction, and he hadn't received the account details 'face to face'.

Having reviewed the scam chat, it's clear that Mr A was heavily under the scammer's influence. And to the degree that, prior to the above disputed payments, despite saying *"I think this is fraud"*, he went on to say, *"So tell me exactly what i need to say..."*. Unfortunately, a consequence of this coaching from the scammer was that Revolut were prevented from knowing the true surrounding circumstances of the payment Mr A was making.

As a result, Revolut provided various scam warnings which weren't particularly relevant to Mr A's situation as, based on the answers he provided, they were tailored towards impersonation/romance scams. I can't however fairly hold Revolut responsible for that – as they were relying on Mr A answering their questions accurately and honestly (and warned

him of the consequences if he didn't).

I'm also mindful of the fact that Mr A provided inaccurate information to another of his banking providers that was involved as part of this scam. And so, Mr A's willingness to mislead his account providers wasn't isolated to a single situation. Because of this, I think it's more likely than not that, even if Revolut had carried out additional checks on the disputed payments before processing them, Mr A would've continued to provide inaccurate information regarding the purpose of the payments and their surrounding circumstances.

I realise Mr A has been the innocent victim of a scam here. But Revolut provided appropriate warnings regarding the importance of him giving accurate information to their questions, and that, if he was being scammed, the fraudster might ask him to hide the reason for the payment. Sadly, Mr A wasn't receptive to such warnings and continued to follow the scammer's instructions and misled Revolut about the purpose of his payment. Because of this, I'm not persuaded that Revolut could reasonably have uncovered the scam through a proportionate enquiry. It follows that I don't think Revolut is responsible for Mr A's loss.

I'm aware that R has referenced Mr A's vulnerability at the time of the scam and how this might have impacted his thought process. While I'm sympathetic to Mr A's situation, it seems Revolut weren't aware of his circumstances at the time. Nor, from their interaction(s) with him, would I reasonably have expected Revolut to have suspected Mr A might be vulnerable. Because of this, I don't think Revolut treated him unfairly in this respect.

I've also considered whether, on being alerted to the scam, Revolut could reasonably have done anything to recover Mr A's losses, but I don't think they could. The only possible option for recovery would've been for Revolut to have attempted a chargeback against the payees – that being the crypto providers. But this likely wouldn't have had any reasonable prospect of success. This is because the crypto providers provided the service paid for, that being the purchase of crypto.

In conclusion, while I have a great deal of sympathy for Mr A, I cannot reasonably direct Revolut to refund him. For the above reasons, I think Revolut have acted fairly and so I'm not going to tell them to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 3 October 2025.

Daniel O'Dell
Ombudsman