

The complaint

Mr A is being represented by solicitors. He's complaining about Revolut Ltd because it declined to refund money he lost as a result of fraud.

What happened

Sadly, Mr A fell victim to a cruel investment scam. After he met a lady online, they exchanged numbers and began talking via phone messaging. She introduced him to a fake investment scheme and in May and June 2024 he made the following transfers from his existing Revolut account:

No.	Date	Amount £
1	14 May	100
2	15 May	100
3	15 May	1,598
4	18 May	1,620
5	22 May	570
6	23 May	580
7	24 May	1,400
8	24 May	138
9	24 May	1,000
10	26 May	1,012
11	26 May	222
12	28 May	1,340
13	31 May	1,380
14	1 June	685
15	1 June	530
16	9 June	390

I understand the payments were peer-to-peer cryptocurrency purchases that went to various individuals and companies. The currency purchased was then transferred to the scammer. The account history shows payment 3 was refunded to Mr A's account on 16 May and that a further £1,493.37 was later recovered from the payee in payments 4 and 6.

Our investigator didn't recommend the complaint be upheld. Mr A didn't accept that assessment. His representative argues the Revolut should have recognised the risk associated with payments to cryptocurrency and that further intervention, for example by calling Mr A, would have prevented his losses.

The complaint has now been referred 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.

Having done so, I've reached the same overall conclusion as the investigator. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

There's no dispute that Mr A authorised these payments. In broad terms, the starting position at law is that an Electronic Money Institution (EMI) such as Revolut is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Revolut also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr A.

The payments

One of the key features of a Revolut account is that it facilitates payments that sometimes involve large amounts and/or transfers to overseas accounts. I must take into account that many similar payment instructions it receives will be entirely legitimate. I also need to consider its responsibility to make payments promptly.

Having considered what Revolut knew about the initial payments at the time, including the low amounts involved and the fact they weren't identifiably going to cryptocurrency, I'm not persuaded it ought to have been concerned and I can't reasonably say it was at fault for processing them in line with Mr A's instructions.

By the time of payment 3, it appears Revolut had identified Mr A may be at risk of harm from fraud and it took him through an in-app intervention that identified the payment as a potential scam and asked him to confirm its purpose. From a list of options that included "*as part of an investment*", he selected that it was "*to buy or rent goods or services*" and then said he was purchasing was "*cryptocurrency/stocks*". Revolut showed a series of warning screens relating to purchase scams. But as Mr A had said he was buying cryptocurrency, I think Revolut should have recognised the most likely type of scam that could be taking place was a cryptocurrency-linked investment scam and that the warnings shown should have related to this.

When it received the instruction for payment 4, Revolut carried out the same process, with Mr A again saying it was for goods and services and being shown warnings about purchase scams. But this time, he was also required to speak to one of Revolut's agents using the live chat function.

At the start of the chat, the agent told Mr A that the payment had been paused to protect him from a potential scam. They then asked him to confirm the purpose of the payment, to which he answered that he was buying cryptocurrency. Next the agent warned that it can be a red flag for scams if someone was instructing him on what to do and asked him to confirm if he was being guided in any way. Mr A confirmed that he wasn't being guided and the payment was allowed to go through without any further warnings being given.

A similar process was also followed in connection with payment 9, with Mr A answering the same questions in the same way and no further warnings being shown.

It's my view that the interventions at payments 4 and 9 also didn't go far enough. Once Mr A had said he was buying cryptocurrency, I think Revolut's agent should have asked more questions, particularly about why he was buying it and how the payment had come about. And again, I think they should also have identified that the most likely type of scam that could be taking place was a cryptocurrency-linked investment scam and then showed appropriate tailored warnings setting out some common features of this type of scam.

So, in my view, the outcome of this complaint turns on whether Mr A would have provided Revolut with accurate information about the payments so it could identify that he was most likely falling victim to a scam. And whether tailored warnings of the type I've described would have been sufficient to open his eyes to the scam and stop him from wanting to make further payments.

The success of any scam intervention does depend to some extent on the customer providing accurate information about the circumstances of the payments being made. In this case, I think it's clear Mr A was being closely guided by the scammer in making the payments and he's told us that he only said this wasn't the case because "*the scammer told him what to say*". So, Mr A was being coached on how to respond to Revolut's questions and, despite its agents explaining its interventions were to protect him from a potential scam, he continued to follow the scammer's advice.

It's possible that further questioning and tailored warnings from Revolut would have encouraged Mr A to be more open about what was going on and ultimately opened his eyes to the scam. But, on balance, I don't think that's the most likely outcome in this case. I've read the messages between Mr A and the scammer that have been provided very carefully and I think these reveal a romantic element to the scam, Mr A seems to have believed a genuine relationship had been formed with the scammer, evidenced by the affectionate terms used when speaking to each other and discussions about meeting in person and their future.

I believe the evidence indicates Mr A was firmly under the spell of the scammer at this point and I think it's most likely he'd have continued to follow her coaching and advice when responding to further questions from Revolut about the payments. This would have limited its ability to identify the likelihood that the payments were part of a scam. The romantic element of the scam also separates it from how many investment scams unfold, meaning a tailored warning setting out the common features of investment scams would have been less likely to resonate with Mr A.

There were further payments after payment 9 and Mr A's representative may argue there was a case for Revolut intervening before these were processed as well. But for the reasons I've explained, I don't think it's likely the outcome would have been any different if it had.

I want to be clear that it's not my intention to suggest Mr A is to blame for what happened in any way. He fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why he acted in the way he did. But my role is to

consider the actions of Revolut and, having done so, I'm not persuaded these were the cause of his losses.

Recovery of funds

I've also looked at whether Revolut could or should have done more to try and recover Mr A's losses once it was aware that the payments were the result of fraud. But it's a common feature of this type of scam that the fraudster will move money very quickly to other accounts once received to frustrate any attempted recovery and I don't think anything that Revolut could have done differently would likely have led to any more of Mr A's money being recovered as a significant amount of time had passed between most of the payments and the scam being reported.

In conclusion

I recognise Mr A has been the victim of a cruel scam and I'm sorry he lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I don't think any further intervention by Revolut would have made a difference to the eventual outcome and I won't be telling it to make any further refund.

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 27 October 2025.

James Biles
Ombudsman