

The complaint

Mr E complains about the actions of Revolut Ltd when he lost money to a scam.

Mr E is being represented by a claims management company but for ease I'll only refer to Mr E.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Around early November 2023 Mr E came across an investment advert online that was supported by a well-known celebrity. He was interested in the advert so he left his contact details before being contacted by a representative of a merchant. Following discussions with the representative Mr E opened an account with Revolut. He funded the account from accounts he held with other banks and Electronic Money Institutions (EMI). He then proceeded to send around €456,390 to the merchant from his Revolut account.

Mr E realised he had been scammed when he started to have trouble withdrawing his money from the merchant's website. So, he contacted Revolut to make a claim for his money. Revolut reviewed the claim but said it didn't do anything wrong so it wouldn't be offering him a refund. Unhappy with that response Mr E brought his complaint to the Financial Ombudsman.

Our Investigator didn't think the complaint should be upheld. He said that Revolut asked Mr E about his payment, but Mr E didn't provide accurate answers to Revolut's questions which meant Revolut wasn't able to uncover the scam.

Mr E disagreed and asked for an Ombudsman's review. He said the account activity should've looked like an investment scam to Revolut and that it failed to intervene effectively. He added that it's common for scammers to coach victims and his account activity warranted further and stronger levels of intervention.

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 conclusion as our Investigator. And for largely the same reasons. I'm sorry to hear that Mr E has been the victim of a cruel scam. I know he feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

I've read and considered the whole file. But I'll concentrate 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.

It is common ground that Mr E authorised the scam payments of around €456,390. I accept that these were authorised payments even though Mr E was the victim of a scam. So, although it wasn't his intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of his account, Mr E is presumed liable for the loss in the first instance.

However, taking into account the law, 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 in order to help protect customers from the possibility of financial harm from fraud.

Revolut's first obligation is to follow the instructions that Mr E provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect Revolut to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect Revolut to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There might also be cases where it's appropriate for Revolut to refuse to follow the instruction if there are good grounds to believe it is being made as a result of a fraud or scam.

I've seen that Revolut stopped a few of the payments here and provided different levels of interventions as the scam progressed, which is what I'd expect to see in the circumstances. Initially it asked Mr E for the reasons why he was making the payments and asked him to complete a questionnaire. But overall, I'm not satisfied that there was anything else Revolut could've reasonably done to uncover this scam. I'll explain why below.

Revolut invited Mr E to the in-app chat on 23 November 2023. It told him that it was suspicious of his €49,000 payment and that it thought this was likely a scam. Mr E was asked for the reason he was making the payment. He said he was buying diamonds and that he wasn't being guided in any way. He was then given some warnings about purchasing goods and services which wasn't relevant to the scam he was involved with and therefore didn't resonate with him. He then didn't provide an accurate answer to the question about why he opened his Revolut account before telling Revolut that he had met the person he was buying the diamonds off in person and he trusted them. Revolut asked if he had an invoice, and he provided a fake invoice to them in the chat. Revolut then asked if Mr E had any messages he could share with the seller. Mr E told Revolut he had met the seller in person and purchased from them before. He then asked Revolut to release the transaction and stop asking questions because he felt violated. He then asked the scammer on what he could say to Revolut and he was given the below to say to Revolut;

"I have sent you the invoice, I have answered all your questions, I have sent you documents for source of funds as well. I have sent you more than I have to already. I thought by having Ultra Membership account with Revolut, I would not be having problems like that all the time when I want to make purchases or to move money somewhere in the future. I just want my transaction to be processed, because I have spent couple of hours with you on the chat and..., I have responsibilities and I don't have the free time to spend hours chatting with you and explaining myself where and what I am purchasing."

Revolut then asked Mr E back to the in-app chat on 11 December 2023 to complete a security check after he logged into his account via his web browser. Mr E provided a screenshot of him to confirm his identity before confirming it was him that logged into his account, that he wasn't being instructed on what to say in the chat and then providing an inaccurate answer to the question on why he opened his account. Revolut asked him what the purpose of his most recent payment was. Mr E told them it was to purchase goods that he had already received, it was legitimate and he had proof of ownership. Mr E then

provided another fake invoice that the scammers had provided to him. Revolut asked if Mr E had other invoices for the goods he was purchasing, and he provided more invoices to Revolut. He then told Revolut he was busy at work and that Revolut's questions were *"totally inconvenient"*. Revolut then provided a warning about goods and services which Mr E acknowledged. And it asked him to confirm that he had been warned that this is likely a scam, he wasn't being assisted with the payment and his funds might not be recoverable to which Mr E confirmed he understood. Mr E then asked Revolut the following;

"I just want to ask not to have this experience plz as i really don't have... for that If you can authorize that company and account for any future transactions"

Later in December 2023 Mr E was invited into the chat by Revolut after it paused a €11,444 payment. Mr E told Revolut he owned a company he was buying marketing services for and that he wasn't being guided to make the payment. Revolut told him fraud was common amongst online sellers and that Mr E should make sure he receives the goods first before paying. It added that it was concerned about the payment and asked Mr E if he wanted to continue – Mr E said he did want to continue. A further payment for €11,400 was paused on 05 January 2024 and a similar conversation took place with Mr E saying he wasn't being guided, providing inaccurate payment reasons and not providing an accurate answer for his reasons for opening the account.

I've seen in the chats Mr E was having with the scammer that he was clearly being coached on what to say with Mr E asking the scammer on what he should tell Revolut;

[23/11/2023, 2:19:06 PM] Scammer: Alright, do not tell them you are investing otherwise they will hold you on the phone for an hour and might hold the transfer. Just tell them you have the best plan and card with revolut and they offer you many perks and thats why you move the funds.

[23/11/2023, 2:19:59 PM] Scammer: And notify them you will be moving more so they do not hold the transfer, keep in mind their only goal is to hold your money with them. Those guys you speak to are on commission on the money they hold with the bank, so keep that in mind."

And again later on in the scam;

"[05/01/2024, 9:44:16 AM] Mr E: Buying diamonds again??

[05/01/2024, 9:44:50 AM] Scammer: No, no this is not a diamonds company, its a marketing service company.

[05/01/2024, 9:45:04 AM] Scammer: Just tell them ure expanding your business and paying for marketing services

[05/01/2024, 9:45:26 AM] Mr E: Text whatever i ll just copy and paste"

The above is just one example of the coaching that was taking place. There are others in the chat that Mr E provided. Having considered those, it's clear Mr E was determined to send his money towards this investment scam. He was happy to be assisted on what to say to Revolut, provide inaccurate answers to its questions and even provide fake invoices for goods he wasn't even purchasing. As a result, I can't fairly say that Revolut could've reasonably stopped and uncovered this scam. Given Mr E's hostility to some of the questions, I think he had reached a point where whatever Revolut said he would've more than likely ignored any further warnings. And based upon the misleading responses he provided, I can't find Revolut at fault for providing the inaccurate warnings that it did in the

app and the in-app chat. I don't think Revolut could've asked any further questions of Mr E that could've uncovered that he was falling for an investment scam. That's because I'm satisfied any further questions would've been met with the same level of inaccurate responses as a result of the coaching that was taking place.

As a result of the above, I'm not satisfied that Revolut could've reasonably been expected to do anything more here and even if it did, it wouldn't have made a difference based upon Mr E's responses. It stopped some of payments reasonably and asked for the payment reasons but because of the answers Mr E gave, it provided warnings based on the information it was given. Mr E's actions when speaking to Revolut and the scammers persuade me that he was under the influence of the scammers, which is why he failed to provide the correct answers. Despite being aware he was making an investment he didn't tell Revolut that was the reason for the payments or opening the Revolut account.

Recovery

I note Revolut reasonably reached out to the beneficiary banks. For two of the banks, it was told that no money was recoverable. And the remaining bank never responded despite Revolut chasing for a response. So, I can't say Revolut treated Mr E unfairly by not being able to recover his money here.

I appreciate this will come as a disappointment to Mr E, and I'm sorry to hear that he has been the victim of a cruel scam. But for the reason's I've explained I can't reasonably find Revolut at fault for his loss here.

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 Mr E to accept or reject my decision before 5 August 2025.

Mark Dobson
Ombudsman