

The complaint

Mr B 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 B fell victim to a cruel investment scam. He was contacted by the scammers after responding to an advert on social media and used his existing Revolut account to make the following payments that were lost to the scam:

No.	Date	Amount £
1	24 Jun 2024	351.43
2	28 Jun 2024	1,005.69
3	15 Jul 2024	769.44
4	2 Aug 2024	1,000
5	13 Aug 2024	1,000

Our investigator didn't recommend the complaint be upheld. They didn't feel Revolut should have identified the payments meant Mr B was at risk of harm from fraud or that any intervention in the payment process was required.

Mr B didn't accept the investigator's assessment. His representative argues the payments were highly unusual and should have been viewed with suspicion, especially as they went to companies associated with cryptocurrency, and that Revolut should have issued relevant scam warnings.

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 conclusions as the investigator, and for broadly the same reasons. 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 B 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 that 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 B.

The payments

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

Having considered what Revolut knew about the payments at the time, I'm not persuaded it ought to have been particularly concerned about them. The amounts were relatively low in value and they were spread out over a period of several weeks, meaning that I don't think a pattern consistent with many known types of scam had begun to emerge. I appreciate the additional risks associated with payments to cryptocurrency, but I note Mr B had made a number of payments to cryptocurrency in May 2024, only shortly before the payments being disputed here, meaning these payments wouldn't necessarily have appeared unusual from his account.

On balance, and taking everything into account, I don't think there were sufficient grounds for Revolut to suspect Mr B was at risk of harm from fraud when he made these payments and I can't reasonably say it was at fault for processing them in line with his instructions.

I want to be clear that it's not my intention to suggest Mr B 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 B's losses once it was aware that the payments were the result of fraud.

I understand Mr B didn't report the fraud to Revolut until nearly a month after the last payment and it's a common feature of this type of scam that fraudsters will move money to other accounts very quickly to frustrate any attempted recovery.

As these were card payments, Revolut did consider whether it could recover the money through the chargeback scheme. But I'd only expect it to have raised a chargeback claim if it was likely to be successful. In this case, it says it didn't receive enough information from Mr

B in response to its requests to determine this would be the case. In any event, the chargeback rules don't typically protect against losses to investment scams.

In the circumstances, I don't think anything that Revolut could have done differently would likely have led to these payments being successfully recovered.

In conclusion

I recognise Mr B 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 think Revolut acted fairly and reasonably in its dealings with him and I won't be telling it to make any 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 B to accept or reject my decision before 2 September 2025.

James Biles
Ombudsman