

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. After responding to an advert on social media, he was contacted by the scammer who introduced himself as an investment broker and offered to trade on his behalf.

Mr B already held an account with Revolut and he used it to make the following payments to the scam in November and December 2023:

No.	Date	Amount \$
1	6 Nov	250
2	22 Nov	750
3	22 Nov	270
4	22 Nov	740
5	11 Dec	750
6	11 Dec	750
7	11 Dec	370
8	12 Dec	750
9	12 Dec	120
10	12 Dec	120
11	12 Dec	210
12	16 Dec	375
13	17 Dec	750
14	18 Dec	330
15	19 Dec	750
16	19 Dec	750
17	19 Dec	235

The payments were all push to card and subject to 1% fees. According to Revolut, they were sent to various international beneficiaries.

Our investigator didn't recommend the complaint be upheld. He felt Revolut provided appropriate scam warnings that were in line with the risk presented by the payments. He also noted that Mr B didn't answer its questions about the payments correctly.

Mr B didn't accept the investigator's assessment. His representative argues that Revolut should have intervened further than it did. In particular, it's pointed out that he had said he was being pressured in connection with an early payment attempt and questioned why further payments were allowed after this and after he didn't take up its invite to discuss payments with an agent. While it accepts Mr B was coached by the scammer to hide the real reason for the payments, it believes a human intervention and/or more explicit warnings about investment scams 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 conclusions 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 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 payments to overseas accounts. I must take into account that many similar payment instructions it receives will be entirely legitimate and I also need to consider Revolut's responsibility to make payments promptly.

Having considered what Revolut knew about payments 1 to 4 at the time, including that the amounts involved were relatively low, I'm not persuaded it ought to have been particularly concerned and I can't reasonably say it was at fault for processing them in line with Mr B's instructions.

Nonetheless, Revolut has explained that it paused the first payment request to warn Mr B of the possibility that it may be associated with a scam. In response he confirmed that he was making the payment himself but when asked if he was being pressured, he answered yes. He was then shown a warning that only scammers would ask him to ignore warnings and that he should only continue if he was sure nobody was pressuring him, after which he cancelled the payment.

I don't accept the view of Mr B's representative that the fact Mr B said he was being pressured at this point means Revolut should have blocked all future payments. Apart from anything else, I understand the payments went to a number of different beneficiaries so it wouldn't necessarily have been clear that they were all connected. Further, the warning did give Mr B the opportunity to go away and reconsider whether he wanted to resubmit the payment in light of the warning he was shown.

By 11 and 12 December, as the repayments became more frequent, I think Revolut should have identified he was at risk of harm from fraud. But having thought carefully about the risks the payments presented, I don't believe that a human intervention was warranted at this stage. Instead, I think a proportionate response would have been for Revolut to ask about the purpose of the payments with a view to providing a tailored warning relevant to the type of scam that it believed could be taking place. I'm satisfied this is broadly what happened.

Revolut has explained that payments were paused on both days and Mr B was asked about their purpose. From a list of options that included making an investment, on both occasions he selected that he was paying friends and family. In response to follow-up questions, he said this was money he owed and that he'd obtained their bank details face to face. He also said he wasn't being pressured. In response to this, Revolut identified that the most likely type of scam taking place was either an impersonation scam or a romance scam and he was shown a series of warnings about these. On 12 December, Mr B was invited to an in-app chat with a Revolut agent but he didn't take up this offer and the payments to be discussed were cancelled.

No further payments were made until 16 December and, despite the fact payments didn't all go to the same beneficiary, there is an argument Revolut could have carried out further interventions in connection with these payments. But again, I don't think the identifiable risk was such that a human intervention was required. And if Revolut had taken Mr B through a similar series of questions about the payments, I've no reason to think he wouldn't have answered them in the same way – as he'd been coached to do by the scammer - or that there would have been a different outcome.

The effectiveness of any fraud intervention is dependent to some extent on the consumer providing accurate information about the payments being made. It's clearly unfortunate that Mr B chose to follow the scammer's advice on how to answer Revolut's questions, despite being warned about the importance of answering accurately, but this did go a long way to preventing Revolut from identifying he was falling victim to a scam and identifying the type of scam so it could provide relevant warnings.

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 made aware the payments were the result of fraud.

I understand Mr B didn't notify Revolut of the fraud until January 2025, more than a month after the last payment. 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 it's not a surprise that Revolut's attempts to get his money back weren't successful. In the

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

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 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 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