

The complaint

Mr M complains Revolut Ltd won't refund the money he lost to a scam.

What happened

In mid-2022, Mr M was looking for work and he came across an advert for a job opportunity with a cryptocurrency company. Unfortunately, this was a scam.

Mr M completed an interview via video call and was offered a job. As it was (supposedly) based abroad, he was told he needed to pay for a visa. Between May and November 2022 he sent around £8,700 to the scammers from his Revolut account via cryptocurrency wallets. I understand these payments were all for fees etc. in connection with getting a visa. He was then told his visa applications had been rejected – but he would get his money back. When this didn't happen, Mr M realised he had been scammed.

In late 2024 Mr M complained to Revolut, via a professional representative, saying it was obligated to refund him for the scam payments. When Revolut didn't agree, he referred the matter to our service.

Our investigator didn't uphold the complaint. He didn't think Revolut had cause to suspect the payments were linked to fraud – nor that it could have recovered the funds when the scam was reported.

Mr M has appealed the investigator's outcome. In summary, his representative argues:

- Revolut failed in its duty under UK law, and industry best practice, to detect and prevent scams. It should have applied enhanced scrutiny to Mr M due to him being a new customer – and it missed red flags which should have prompted friction or warnings;
- The scammer exploited Mr M's vulnerability;
- By not intervening at the time, Revolut contributed to Mr M's loss and prevented successful recovery. It also says Revolut's recovery efforts were inadequate, and it should have pursued chargeback claims for the card payments even though they went to cryptocurrency merchants.

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 decided not to uphold it. I'll explain why.

In broad terms, the starting position at law is that an Electronic Money Institution (“EMI”) such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that, throughout the period of these payments, Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

However, looking at the payments Mr M has disputed, I agree with the investigator that the amounts paid, and the overall character and pattern of the payments, meant they didn’t look so suspicious or concerning such that Revolut ought to have intervened.

Mr M’s representative says Revolut should have been particularly vigilant with him as a new customer. It looks to me as though Mr M may have had the account prior to the scam but hadn’t used it. Regardless, I still think it was reasonable for Revolut to act on Mr M’s payment instructions.

It appears Revolut may not have had much (if any) account activity to draw on about how Mr M usually transacted. But it did have some insight from the reasons he selected for opening his account – which included “transfers” and “crypto”. As the scam payments fell within this type of activity, I think that would have been a reassurance to Revolut that Mr M was using the account as expected – reducing the apparent riskiness of the payments.

I appreciate the overall amount lost to the scam is significant. But looking at the amounts sent individually, or within one day, I don’t think any payments were so concerningly high that Revolut should have been suspicious. As they were spread out over the course of around six months, I consider them to have fed into a pattern of expected account activity for Mr M.

I don’t doubt the representative’s assertion that the scammers preyed on Mr M’s vulnerability. However, given what I’ve found about how the account activity appeared, and based on Mr M’s overall interactions with Revolut, I don’t think it had cause to do anything differently here. For example, I can’t see it was made aware of Mr M requiring any additional support at the time.

The representative says Revolut contributed to Mr M's loss (including preventing recovery) by not intervening at the time. However, as set out above, I consider it reasonable that Revolut didn't do this. I therefore don't consider it made a failing in this respect which caused or contributed to his loss.

For the reasons the investigator explained, I also don't agree with the representative's assertion that Revolut should have pursued chargebacks for the card payments. The applicable time limits for claiming had passed by the time the scam was reported. And, again as explained above, I don't think it had cause to realise Mr M had been scammed sooner.

Even if the claims had been raised in time, I can't see there would have been reasonable prospects for them to have succeeded under the chargeback rules. That's because the funds weren't paid direct to the scammers, but to genuine cryptocurrency merchants who provided the expected service by loading the requested funds to Mr M's wallets.

Similarly, it appears the payments sent by transfers were probably "peer-to-peer" cryptocurrency purchases. In which case I don't think there would have been fair grounds to seek the funds back from the recipients paid (due to them providing genuine purchases). In any event, given when the scam was reported, I think it was too late for there to have been a realistic prospect of recalling these funds.

I appreciate this will be disappointing for Mr M. But having carefully considered all the circumstances, I don't consider it fair to direct Revolut to reimburse Mr M's loss, or take any further action, to resolve this complaint.

My final decision

For the reasons given above, 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 M to accept or reject my decision before 6 June 2025.

Rachel Loughlin
Ombudsman