

The complaint

Mr O 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 O fell victim to a cruel investment scam after responding to an advert he saw on social media. I understand the initial payments to the scam were made via his bank and another Electronic Money Institution (EMI) but, following a problem with the EMI account, he opened an account with Revolut to make the final card payment of £2,337 to a known cryptocurrency exchange on 14 December 2022.

Our investigator didn't recommend the complaint be upheld. He didn't think Revolut had any particular reason to suspect the payment may be linked to a scam or that it should have intervened in the payment process.

Mr O didn't accept the investigator's assessment. His representative pointed out that this was a new account and said a payment straight to cryptocurrency should have prompted Revolut to intervene. It also provided further evidence related to the scam.

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 O authorised this payment. In broad terms, the starting position at law is that an 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 O.

The payment

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. I must take into account that many similar payment instructions it receives will be entirely legitimate. I'm also conscious this was a new account and there was no history of past activity against which this payment might have looked suspicious.

Mr O's representative has said he was vulnerable but I've not seen anything to indicate Revolut was made aware of this. Having considered what it did know about the payment at the time, including that it was for a relatively low amount and wasn't part of a sequence of payments from the account common to many types of scam, I'm not persuaded it ought to have been particularly concerned about it. So, I can't say it was at fault for processing the payment in line with his instructions.

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

Mr O transferred funds to a legitimate cryptocurrency account in his own name. From there, he purchased cryptocurrency and moved it onto a wallet address of his choosing (albeit on the scammers' instructions). Revolut could only try to recover funds from Mr O's own account and it appears all the money had already been moved on and, if not, anything that was left would still have been available to him to access.

This was a card payment but unfortunately Revolut wasn't told about the scam until around two years after the payment was made. That means the normal timeframe for making a chargeback claim had passed.

With these points in mind, I don't think anything that Revolut could have done differently would likely have led to this payment being successfully recovered.

In conclusion

I recognise Mr O 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 O to accept or reject my decision before 13 August 2025.

James Biles
Ombudsman