

The complaint

Mr P is complaining that Revolut Ltd didn't do enough to prevent him from falling victim to an investment scam.

The complaint is brought on his behalf by a professional representative.

What happened

The circumstances of the complaint are known to both parties, so I won't go into detail here.

In short, Mr P says that in late 2023 he fell victim to an investment scam after seeing an opportunity advertised online by a celebrity.

Mr P opened an account with Revolut in November 2023, and in December 2023 he made a payment of £5,000 by debit card, which he says was subsequently lost to the scam. The payment was made to what appears to be a marketing company, based abroad.

Mr P did report the scam to Revolut in January 2024, but when it asked some further questions about what had happened he didn't reply. In February 2024 he reported the scam again, in Revolut's in-app chat, and received what appears to be an automated reply from Revolut saying it couldn't help further.

In May 2024 Mr P raised a complaint with Revolut through his representative. Revolut said that it then attempted to raise a chargeback with the relevant card scheme, but by that time it was too late to raise a chargeback under the rules set out by the card scheme.

Revolut didn't agree to refund the disputed payment, and Mr P brought his complaint to us.

Our Investigator didn't uphold Mr P's complaint. He said he hadn't seen any evidence that Mr P had been scammed. He thought Revolut could potentially have raised a chargeback earlier when Mr P initially contacted it, but he concluded that Mr P had received the service he'd paid for in receiving cryptocurrency, and the funds were sent to an account in his name which he had control over. So, he didn't think a chargeback would have been successful, if it had been raised within the time limits.

Mr P's representative replied to say it didn't think Mr P should be penalised for not having any evidence that he'd been scammed. It said this was because he'd been blocked from both the investment platform and the chat he'd been involved in on a messaging app. They said the absence of the evidence shouldn't be used to question the validity of his claim.

Because Mr P didn't agree with the Investigator's view, his complaint was passed to me for review and a decision.

I agreed with the outcome reached by the Investigator but disagreed with some of his reasoning, so I issued a provisional decision to give both parties another opportunity to respond. This is what I said.

"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'm not currently minded to uphold Mr P's complaint. I'll explain why.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Revolut is expected to process authorised payment instructions without undue delay. But it also has long-standing obligations to help protect customers from financial harm from fraud and scams.

Those obligations are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether Revolut is responsible for the loss Mr P claims to have suffered if, indeed, he has been scammed. I've therefore considered whether Mr P was a victim of a scam. And I'm not persuaded that I have enough evidence to conclude that he was here. I'll explain why.

Mr P's representative said he didn't have any record at all of the messaging chat he was involved in, or of the scam platform. So, we only have Mr P's testimony that the payment he's disputing was made as the result of a scam. Mr P has provided some background information about how he became involved in the scam and how it operated – but this general information about the scam doesn't show that Mr P has been a victim of it.

I want to be clear that I'm not doubting Mr P's version of events, and I'm sorry to disappoint him. But I do need to see sufficient evidence to show that he has suffered a loss due to a scam before I can go on to consider if Revolut should have intervened in the payment he says he made to the scam. And I don't think that I have enough evidence of this here.

Without this, I can't reasonably conclude that Mr P has suffered a loss to a scam which Revolut could have prevented.

It's possible to dispute a debit card payment through a process called chargeback, which can sometimes be attempted if something has gone wrong with a debit card purchase, subject to the relevant card scheme's rules. Revolut has said it did attempt to raise a chargeback in June 2024 after it was contacted by Mr P's representative, but it was rejected as being out of time. But as I've set out, Mr P did contact Revolut to report he'd been the victim of a cryptocurrency investment scam in February 2024, which was within the time limit for submitting a chargeback claim. Revolut told Mr P it couldn't assist him, but I think it could have done more to explore what had happened at that time, and could potentially have raised a chargeback then if it had done so.

The Investigator concluded that if a chargeback had been raised in time, it was unlikely to have been successful because Mr P received the cryptocurrency he'd paid for and remained in control of it before transferring it to the scam. But I've not seen anything to show that the disputed payment was made to buy cryptocurrency, or that Mr P remained in control of the funds after the payment was made. As I've said, the payment appears to have been made to a marketing company based abroad.

However, given that we haven't been provided with any evidence to link the disputed payment to a scam, I'm also unable to conclude that a chargeback was likely to have been successful. The payment appears to have been made to a legitimate company, and I've not seen anything to show that this company didn't provide the service it had been paid for or that it was involved in any suspicious activity.

I'm sorry to disappoint Mr P. And I'll consider any evidence he can provide in response to my provisional decision. But based on what I've seen so far, I'm not upholding his complaint, for the reasons I've explained."

Revolut didn't reply to my provisional decision.

Mr P's representative did reply to explain why it didn't agree with my provisional decision. I've summarised its response below.

- My conclusion is unsustainable once the evidence is considered on the balance of probabilities, and when Revolut's own duties under the FCA's Consumer Duty and the charge back scheme rules are properly applied.
- The Financial Ombudsman Service decides cases on the balance of probabilities and absolute proof is not required. An Ombudsman may accept circumstantial evidence where primary evidence is not available.
- Mr P has logged a report of the scam with Action Fraud. It is an offence to log a false report and Mr P wouldn't invite criminal liability if he wasn't genuine in his claim.
- A bogus celebrity advert was used which is materially similar to others the FCA has issued warnings about and the victim should not be penalised for the scammer removing the advert.
- A single payment with no subsequent cryptocurrency purchases shows Mr P had no intention to make false claims.
- This evidence of the scam provided comfortably tips the scale beyond 50 percent (on the balance of probabilities).
- Revolut didn't respond reasonably to Mr P's scam report in February 2024 under the Consumer Duty or the standard expected in *Philipp v Barclays* and did nothing until the time to request a chargeback had expired which is the antithesis of timely support.
- Had Revolut raised the dispute in February 2024, the merchant would have had to prove fulfilment, and it couldn't. Losing the chargeback opportunity was therefore a probable cause of Mr P's loss and should be enough for me to award redress. Revolut's automated refusal breached its contractual and regulatory duties.
- Once the new evidence is weighed against the correct civil standard, it is more likely than not that Mr P was the innocent victim of an investment scam. Revolut's failure first to intervene at the time the payment was made or to submit a chargeback when the scam was reported caused Mr P's loss and Revolut should bear responsibility for that.

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'm not changing my provisional decision that I'm not upholding this complaint.

Mr P's representative feels it has supplied enough evidence that a scam took place for me to decide that it did, on the balance of probabilities. But I don't agree with it on this point. I'll explain why.

My decision doesn't turn on the fact that Mr P has been unable to provide a copy of the scam advert. I don't doubt that the scam advert relating to this particular celebrity existed; it has been widely referenced online. But what is lacking here is the evidence to connect the

payment Mr P says he made to the scam with the scam advert Mr P says that he and his wife saw. This would usually be in the form of communication to show third-party involvement from a scammer which led to Mr P making the payment to the marketing company. Even if Mr P could provide a copy of the scam advert, this wouldn't show that the payment he made was linked to it. Mr P's representative says that because he didn't make payments to cryptocurrency it's evident he didn't intend to make a false claim. But the fact that Mr P hasn't made any payments to cryptocurrency isn't evidence that the payment he made was linked to a scam.

I can see that after my provisional decision, Mr P has logged a claim with Action Fraud. I've considered this alongside the testimony he has provided. I am not implying that Mr P is making a false claim – but I simply don't think the fact that Mr P has now logged a report with Action Fraud, in addition to the testimony he's provided, is sufficient evidence for me to conclude on the balance of probabilities that the disputed payment was related to a scam.

Turning to the issue of chargeback – I agree with Mr P's representative that Revolut should have done more when Mr P reported the scam in February 2024, as I have explained in my provisional decision. So, we don't disagree on this point. But I do still need to consider what would have most likely had happened but for Revolut's error here – which includes considering if there were reasonable grounds for Revolut to have raised a chargeback with the card scheme under any of the applicable reasons under the card scheme's rules and if it had, if this was likely to have been successful in recovering Mr P's payment.

In order for Revolut to have raised a chargeback, I would generally expect it ask for some evidence that something had gone wrong with the payment – in this case, the most appropriate reason to consider raising a chargeback would be that the merchant hadn't supplied the service it had been paid for. I've not seen sufficient evidence of this so I think it's unlikely Mr P could have provided it to support his chargeback claim.

The company Mr P paid appears to be a legitimate company offering a genuine service. Mr P has provided little testimony around why he made the payment to this company and how that related to the investment he said he thought he was making. He's also not provided any evidence of the scam conversation that he says led to him making this payment. As I've set out, I don't have sufficient evidence to conclude that Mr P was tricked into making this payment as part of a scam but even if I had, this doesn't mean that the merchant didn't provide a service as a result of the payment it received or that a chargeback on those grounds would likely have been successful. It follows that I can't conclude that Mr P's complaint should be upheld on the basis that if Revolut had raised a chargeback in time, it would more likely than not have resulted in Mr P's payment being returned to him.

Once again, I'm sorry to disappoint Mr P. But for the reasons I've explained, I'm not upholding his complaint.

My final decision

My final decision is that I'm not upholding Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 17 July 2025.

Helen Sutcliffe
Ombudsman