

The complaint

Mr B complains Revolut Ltd (“Revolut”) didn’t do enough to protect him when he fell victim to a scam.

What happened

Mr B said he received a message via social media from someone who I’ll refer to as the scammer. Mr B said the scammer brought up investing in cryptocurrency and explained how to invest in cryptocurrency. Mr B decided to invest and said the scammer guided him on how to do this.

Mr B said he initially made payments via an account he held with a high street bank, I’ll refer to as N. He said N blocked his account, called him and asked questions around if he was being scammed. He said he persuaded N he knew what he was doing and after a couple more payments via N decided to open an account with another high street bank I’ll refer to as L. Mr B said the same thing happened, L blocked his account and called him about being scammed. Mr B said the scammer told him not to tell banks he was purchasing cryptocurrency so at the direction of the scammer he told both N and L he was making the payments for repairs to his home, which we know wasn’t the case. Mr B said he then decided to open an account with Revolut and continued with the investment opportunity. He said Revolut didn’t ask him what the payments were for.

Mr B said he made payments to individuals and USDT was paid into his account with a legitimate cryptocurrency provider. Mr B said the USDT and ‘tokens’ were held in a ‘token pocket wallet’. He said when he logged into his token pocket wallet and found it was empty he realised he’d been scammed.

Below are the disputed payments Mr B made via his account with Revolut:

Payment	Date	Type of transaction	Payee	Amount
1	2 December 2021	Transfer	Payee 1	£1,000
2	2 December 2021	Transfer	Payee 1	£1,000
3	7 December 2021	Transfer	Payee 2	£500
4	7 December 2021	Transfer	Payee 3	£500
5	7 December 2021	Transfer	Payee 3	£500
6	7 December 2021	Transfer	Payee 4	£328
7	7 December 2021	Transfer	Payee 3	£170
8	7 December 2021	Transfer	Payee 1	£1,500

Mr B complained to Revolut, and his complaint wasn’t upheld. Unhappy with Revolut’s response, Mr B raised the matter with the Financial Ombudsman. One of our Investigators looked into the complaint and didn’t uphold it. They didn’t think Revolut ought to have been concerned by the payments.

Mr B didn’t agree. In summary, he said:

- He wasn’t a large spender.

- Revolut didn't provide warnings or question him.

As an agreement could not be reached, the complaint has been passed to me for a final decision.

My provisional decision

I issued my provisional decision on 20 May 2025 because while I reached the same outcome as our Investigator, I included additional reasoning. I decided, provisionally, that I wasn't going to uphold Mr B's complaint. 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.

I'm sorry that Mr B has been the victim of a scam. I realise he's lost a significant sum of money and I don't underestimate the impact this has had on him. And so, I'd like to reassure him that I've read and considered everything he's said in support of his complaint. But I'll focus my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. I know this will come as a disappointment to Mr B but having done so, I'm minded not to uphold his complaint. I'll explain why.

In broad terms, the starting position at law is that banks and other payment service providers are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

Mr B authorised the payments in question here – so even though he was tricked into doing so and didn't intend for his money to end up in the hands of a scammer, he is presumed liable in the first instance.

But as a matter of good industry practice, Revolut should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: as while banks and Electronic Money Institutions should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.

I've thought about whether Revolut acted fairly and reasonably in its dealings with Mr B when he made the payments, or whether it should have done more than it did. In doing so I've considered what Revolut knew about the payments at the time it received Mr B's payment instructions and what action, if any, Revolut took prior to processing the payments.

Revolut told us it displayed a warning to Mr B when he added a new beneficiary, it asked if he knew and trusted the payee and if he was unsure not to pay them. The warning also said Revolut may not be able to help him get his money back and gave a reminder that fraudsters can impersonate others. Mr B continued past this warning each time.

Revolut said it didn't intervene further or provide additional warnings for the disputed payments. I've thought carefully about whether Revolut's actions were proportionate to the risks these payments presented. Having done so, I think they were. I say this because having considered what Revolut knew about the payments at the time they received Mr B's payment instructions, I'm not persuaded it ought to have been concerned about any of the payments. I say this because they were for relatively low amounts and in-line with the

account purpose Mr B gave when he opened the account shortly before making the first disputed payment, which was 'transfers' and 'overseas transfers'.

So based on the circumstances of the disputed payments, I don't think there were sufficient grounds for Revolut to think that Mr B was at risk of financial harm from fraud when he made the payments. So, I can't say Revolut was at fault for processing them in accordance with Mr B's instructions.

Additionally, Mr B has told us that the scammer had told him not to tell banks what the payments were for and he acknowledges he didn't give N or L accurate information around the circumstances of the payments he made via his accounts held with N and L and instead used the cover story he said the scammer suggested. So I believe it's more likely than not, had Revolut intervened he would have acted as he told us he had previously and used the cover story such that Revolut would have been unlikely to uncover the scam.

Recovery

I've thought about whether there's anything else Revolut could have done to help Mr B — including if it took the steps it should have once it was aware that the payments were the result of fraud.

I've seen Revolut attempted to recover funds but was unsuccessful. Given the time that passed between the payments being made in 2021 and the scam being reported to Revolut in 2024, I think there was no real prospect of successful recovery of funds.

I'm sorry to disappoint Mr B further, but I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Revolut needs to refund Mr B's money or pay any compensation. I realise this means Mr B is out of pocket and I'm really sorry he's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

Responses to my provisional decision

Revolut acknowledged receipt of the provisional decision and provided no further comment.

Mr B's professional representative replied to say they disagreed with the provisional decision. I've summarised the points they made below.

- Revolut failed to act in-line with good industry practice and failed to meet its obligations under the Contingent Reimbursement Model (CRM).
- Revolut ought to have been concerned Mr B was at risk of being scammed and intervened due to the total value of the payments because they were made over six days, to new payees and from a newly opened account.
- It is unfair to speculate that because Mr B used the cover story the scammer suggested with N and L, he wouldn't have been honest with Revolut had it intervened.

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.

I've thought about what Mr B has said in response to my provisional decision, and it doesn't change my decision that I'm not upholding this complaint. I'll explain why.

The CRM code is a voluntary code, it therefore only applies to businesses that are signed up or have publicly committed to acting within the spirit of the CRM code. Revolut isn't a signatory, nor has it publicly committed to acting within the spirit of the code so it's not relevant to Mr B's complaint.

As explained in the provisional decision, based on what Revolut knew at the time it received Mr B's payment instructions I'm not persuaded it ought to have been concerned he was at risk of financial harm from fraud. I say this because of the low value of the payments which were in-line with the reason Mr B gave when opening his account, which was transfers and overseas transfers. I therefore don't think it was unreasonable for Revolut to process the payments in accordance with Mr B's payment instructions.

Mr B's interactions with N and L are relevant when considering if he would have engaged appropriately with Revolut had it intervened and based on his testimony, I'm not satisfied he would have. He said the scammer had told him not to tell banks what the payments were for and he acknowledges this is why he didn't give N or L accurate information when questioned about the circumstances of the payments he was making. I'm therefore persuaded that had Revolut intervened Mr B would have behaved in a similar way as he did with N and L, such that any intervention by Revolut wouldn't have uncovered the scam or prevented Mr B from making the payments.

I recognise Mr B has been the victim of a cruel scam and I'm sorry he lost this money. But for the reasons I've explained, I don't think Revolut needs to refund Mr B's money or pay any compensation, so I won't be asking it to refund him.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 July 2025.

Charlotte Mulvihill
Ombudsman