

The complaint

Mr R complains that Revolut Ltd won't refund money he lost to a scam.

A representative who I will call "F" complains on behalf of Mr R.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

In 2023, Mr R was introduced to investing with cryptocurrency after he saw an advert on social media endorsed by a celebrity. Mr R carried out some research into the company and didn't find anything negative. He signed up and was given access to an online portal where he could see his investment growing.

Mr R made multiple payments from his account with Revolut into cryptocurrency accounts in his own name before sending the money to the scammer. When Mr R wanted to withdraw his money, he was told he'd need to make further payments. It was at this point he realised he'd been scammed.

F complained to Revolut on Mr R's behalf. They considered Revolut should have intervened as the payments were out of character and had they done so, the scam could have been uncovered.

Revolut looked into what had happened and said they questioned Mr R regarding the new payees, and asked him about the purpose of the payments, whether someone was pressuring him, and they also put him touch with their support team, where he continued to authorise the payments.

In relation to recovery, Revolut said once they were notified of the scam they tried to freeze and retrieve the funds, however this was unsuccessful. Chargebacks were also raised for four of the transactions, however they weren't successful as they were made too late.

F brought Mr R's complaint to our service. Our Investigator looked into everything but didn't think Revolut should refund the money Mr R lost. She said that the intervention from Revolut was enough, and Mr R provided answers that allowed him to continue with the payments. She felt that had Revolut intervened further, Mr R would still have gone ahead with the payments, given that when questioned by other banking providers, he hadn't been truthful with his responses, and he had demonstrated a consistent pattern in making sure the payments were sent.

Mr R didn't agree and so the complaint has been passed 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.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it, it's because I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this as it simply reflects the informal nature of our service as a free alternative to the courts.

I don't doubt Mr R has been the victim of a scam here – he has lost a large sum of money and has my sympathy for this given the circumstances. However, just because a scam has occurred, it does not mean that he is automatically entitled to a refund by Revolut. It would only be fair for me to tell Revolut to reimburse Mr R for his loss (or a proportion of it) if I thought they reasonably ought to have prevented all (or some of) the payments Mr R made, or that they hindered the recovery of them.

I've thought carefully about whether Revolut treated Mr R fairly and reasonably, both when he made the payments and when he reported the scam, or whether they should have done more than they did. Having done so, I've decided to not uphold Mr R's complaint. I know this will come as a disappointment to him and so I want to explain why I've reached the decision I have.

I have kept in mind that Mr R made the payments himself and the starting position is that Revolut should follow their customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) he is presumed liable for the loss in the first instance. I appreciate that Mr R didn't intend for his money to ultimately go to fraudsters – but he did authorise the payments to take place. However, there are some situations when a business should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, along with the Consumer Duty, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

So, the starting point here is whether the instructions given by Mr R to Revolut (either individually or collectively) were unusual enough to have expected additional checks to be carried out before the payments were processed.

From the information provided I can see that the first transaction to each new beneficiary was identified as high risk. Mr R was asked if he knew and trusted the payee, and he said he did. Warnings were also provided relating to the payment purpose given.

Mr R provided the incorrect payment purpose each time he was asked and selected "other." He also said he wasn't being assisted in making the payment and that he hadn't downloaded any software. All of which wasn't accurate.

Revolut stopped a payment for £10,000 on 27 July 2023 to ask for more information as Mr R had provided the payment purpose as "other", rather than investment. They referred Mr R to their in-app chat function and asked him whether he had been asked to download any software, to which he said no. They also let Mr R know that scammers can present exciting investment opportunities and asked him to confirm that while he had been warned the payment may be lost to a scam, he was happy to proceed with the transaction.

F have argued that Revolut should have spotted that this payment, along with others were being made to a company that had been dissolved. They maintain that if questioned, Mr R wouldn't have been able to explain why he was making such large payments to a dissolved company.

I have carried out some research on the company, which I will call "I" and I can see a warning was registered with the Financial Conduct Authority, but not until October 2023, after the payments by Mr R were made. Because of this, I'm satisfied Revolut wouldn't have known I had been dissolved, and had they questioned further, they would only have been expected to ask Mr R about the checks he'd carried out himself.

Had Mr R been open and forthcoming with Revolut about the true purpose of the payments, Revolut may have been able to uncover the scam. Unfortunately, due to Mr R not disclosing the true circumstances of the payments, Revolut weren't able to identify red flags such as the involvement of third parties and the presence of additional software. And so, they were reassured that Mr R was making the payments for genuine purposes.

I do however accept that Revolut, arguably, could have intervened further, especially for the larger payments, to ask more probing questions about how Mr R had come across the investment opportunity. I can also see the payments went into his account and back out in quick succession. However, even if further questions had been asked, I'm not persuaded this would've prevented Mr R's loss. This is because from reading the conversations Mr R had with the scammer, he was sadly it seems, very heavily under their spell, calling the scammer a reliable and kind person.

I note that a lot of the communication between Mr R and the scammer was over the telephone, but it is clear from the chat transcripts provided that Mr R was heavily led by the scammer. On 18 August Mr R claimed that things seemed too good to be true and that he was nervous. He voiced the doubts he had and even asked the scammer about a website he had found which, I assume cast some doubt in his mind. However the scammer was able to convince him to carry on making payments, guiding him on what to do.

I can see from the chat history with the scammer that Mr R told the scammer on 26 August that Revolut had blocked payments. As a lot of the conversations were over the phone, I'm not able to know what the scammer said to Mr R. However, I find it most likely that he was told to make payments through another provider - as we have other complaints that have been referred to our service where payments were made as part of the same scam after 26 August.

This demonstrates that Mr R was willing to disregard clear concerns that the investment might not be genuine. It also shows that Mr R was clearly under the spell and to a degree whereby he was willing to follow the scammers' instructions regardless of the risk that he might lose his money.

I've also taken into account Mr R's interaction with his other account providers that carried out additional checks on payments that he made as part of the scam. And while I won't set out the specifics of those interactions here (as I've addressed it in the separate decisions against those firms), it seems he likewise didn't provide accurate information when questioned about these other payments either. Because of this, even if Revolut had intervened further, I consider Mr R would've acted in a similar manner – that being he wouldn't have provided an accurate account of why he was making the payments, and that he would've likely alleviated any concerns Revolut might have had.

Because I'm not persuaded that any intervention would have deterred Mr R from making the payments, I won't be asking Revolut to reimburse any of the funds lost. I know this will be a disappointment to Mr R, and I am sorry to read of the situation the scammer got him into. But I don't think Revolut is responsible for his loss and so, it wouldn't be fair or reasonable for them to provide a refund.

Vulnerability

I've noted that Mr R has said that he was vulnerable at the time because of his caring responsibilities. However, I've not been provided with any evidence to suggest that this impacted his ability decision-making abilities. I've also not seen any evidence that Revolut were aware of this vulnerability. Nor do I think from the interactions between Mr R and Revolut that they ought to have ascertained he was vulnerable and therefore acted any differently.

Recovery

After the payments were made, I couldn't reasonably expect Revolut to have done anything further until Mr R told them he had been scammed.

Revolut have shown that they tried to freeze and retrieve the funds but were unfortunately unsuccessful. In relation to the card payments, chargebacks weren't able to be raised as they were made out of time limits provided by the rules that surround them.

Because of the above, I'm not persuaded Revolut could have successfully recovered Mr R's funds.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 24 October 2025.

Danielle Padden
Ombudsman