

The complaint

Mr T complains that Revolut Ltd ('Revolut') won't refund the money he lost to an investment scam.

He's represented by a firm of solicitors. To keep things simple, I'll refer to Mr T throughout this decision.

What happened

The background to this complaint is known to both parties. I won't repeat all the details.

In summary, Mr T says that, in December 2023, he received a call from an individual (a scammer) claiming to be a 'broker' at a company (I'll call 'F'). He was told F could provide an online professional investment service to help beginners. The opportunity appealed to him as he'd been looking for other sources of income to gain more financial freedom.

As part of the process, he was directed to open a new Revolut account and a crypto wallet to facilitate payments. He recalls being given access to a professional-looking platform where he could monitor the activities taking place and saw no negative reviews. He was then instructed to download remote access software and assigned an 'account manager'.

Believing he'd been offered a genuine investment opportunity he began to make payments for 'investment' as instructed. He started with a relatively small amount of £250 initially. But began to 'invest' more heavily after seeing the 'profits' his initial investment was making and being advised that, due to the condition of the market, a profit was *"almost guaranteed"*.

He says he could see his balance increase at a believable and reasonable rate and that to make the scam more convincing he was allowed some withdrawals. He realised he'd been scammed when he tried to withdraw but the scammer insisted that he needed to invest and borrow more for that to happen. When he refused, the scammer ended all contact. By that time, over €51,000 had been sent to the scam between 13 December 2023 and 6 January 2024. Part of the scam was funded by loans Mr T took out with three lenders on the belief he'd be able to repay them within months using 'profits' from his 'investment'.

The scam was reported to Revolut on 21 January 2024. A complaint was raised and referred to our Service. Our Investigator considered it and didn't uphold it. In brief she thought that Revolut had taken proportionate steps when it intervened to question Mr T about his payments. And she didn't think further questioning would have made a difference as she wasn't convinced Mr T would have been upfront about the true reason behind them.

As the matter couldn't be resolved informally, it's been passed to me to decide.

Provisional decision

I issued my provisional decision on this complaint 11 June 2025. I set out the background as above and explained why I wasn't minded to uphold it. I provided the following reasons:

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 (the 2017 regulations) and the terms and conditions of the customer's account. It's not in dispute that Mr T authorised the transactions in question, so he's presumed liable for his losses in the first instance.

But, as Revolut is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to have been good industry practice at the time, it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

In this case, I agree there was enough about the payments for Revolut to have stepped in on concerns that Mr T may be at a heightened risk of financial harm from fraud – considering, for example, their values. And, as referred to by the Investigator, Revolut did intervene on all three of the disputed payments (as I'll go on to consider below). It's also important for me to say at the outset that, even in circumstances where Revolut should arguably have done more, it's still necessary to consider whether proportionate interventions would in any event have made a difference – such that it can fairly and reasonably be held liable for Mr T's losses. On the evidence, and on balance, I'm not persuaded that they would have.

Interventions

The first time Revolut intervened was on the first payment of about €23,000 on 13 December 2023. Mr T was first asked questions in the automated payment flow. He was warned "If you're being scammed, the fraudster may ask you to hide the real reason for the payment". Mr T selected "I understand". For the payment purpose, he selected "Buy or rent goods or services" and "Buying goods from an online retailer". Mr T was transferred to a 'live' chat. When asked more about the 'payment purpose', he said he was "buying a diamond ring for my girlfriend". He was warned that someone instructing him on what to do can be a red flag for scams. He was asked to confirm he wasn't being guided to make the transactions in any way. He responded, "I'm not being guided to make this transaction". He was then provided with a warning relevant to 'purchase scams' – which we know didn't resonate. When asked why he'd opened a Revolut account, Mr T replied, "To save and move my funds".

The next intervention was on 29 December 2023 on a payment of about €17,000. Mr T was taken through the automated payment flow. The same warning and responses as above were given before he was transferred to 'live' chat. This time, he told Revolut he was "purchasing software power". When probed, he said he was "purchasing cloud computing and web to atp conversion". He was asked if crypto was involved. He confirmed it wasn't; that he was purchasing software; no-one was guiding him to make the payment; and that he'd opened the account to "replace my bank, I'm using it to do my day-to-day purchases". In turn, he was again provided with a warning relevant to 'purchase scams'.

There was another intervention on 6 January 2024. Mr T was taken through the automated payment flow (as above) and again transferred to 'live' chat. In this interaction he again gave "purchasing software power" as the payment purpose. He confirmed no-one was guiding him to make the payment and that he'd opened the account for everyday use. When asked to provide an invoice for the purchase, he replied "No staff in any office will be available until Monday to give me that invoice. I want to finish this over the weekend as I'm extremely busy during the working days. Kindly proceed...". Revolut went on to ask why then Mr T wasn't using his main bank for the purchase. Mr T said he used Revolut for "international transfers".

Causation

I've thought carefully about Mr T's comments that Revolut should have challenged some of his responses given some of his answers and that he hadn't provided some of the evidence requested. I think it's arguable that Revolut ought to have probed further than it did at times.

At the same time though, I can't overlook that Mr T was warned that if he'd been asked to mislead, then this could be a scam; that none of his responses would naturally have led to him being given relevant warnings; and that his answers to some key questions were inconsistent with the truth. He was, for example, guided to make payments; had opened the Revolut account to facilitate payments; he was using the money for investment, involving cryptocurrency. Like the Investigator, even accepting Revolut should have probed further at times, I'm not convinced it follows the scam would necessarily have come to light if it had.

In reaching the view that a proportionate intervention is unlikely to have been successful in exposing the scam, I note that, in addition to the messages exchanged, calls were held with the scammer. In his scam report to Revolut, Mr T mentioned that communication was across several different numbers (only one scam chat has been provided). That said, Mr T accepts he was untruthful with his responses as he was "following the scammers instructions". And he followed the scammer's instructions when he misled his lenders about his borrowing.

He also says he was guided by the scammer not to reveal what was happening when asked by his bank (from which the funds into Revolut originated). In a call, on 13 December 2023, Mr T told his bank he'd opened the Revolut account for "home improvements" and "for travel". He was asked when he planned to travel. He said, "probably in the new year". When asked if anyone was coaching him to lie or offering an investment opportunity with high returns, he confirmed nothing like that was going on. At the end of the call the bank repeated the answers he'd given (that he hadn't been offered an investment and was using the money for travel/ home improvements). Mr T confirmed he wanted to go ahead with the payment.

As before, I'm mindful that Revolut should arguably have probed further at times. But it's again important to note that for me to find that it should provide a refund, requires more than a finding that it ought to have done more. I'd need to be satisfied that but for its failure the losses would have been prevented. In my view, considering how things played out during the interventions; the reasons Mr T has himself given as to why he believed in the 'investment'; the extent to which he was taken in by the scammer and prepared to follow their instructions, I'm not persuaded the real scam would have likely been exposed, even if Revolut had probed further. I'm not convinced Mr T wouldn't still have been guided to find a way around the truth for payments to go through nor do I rule out the possibility of him being guided to find other ways (another new account for example) to make payments if needed.

I'm sorry Mr T was the victim of a cruel scam. I recognise the whole experience has affected him deeply. But I can only direct Revolut to refund his losses if I'm satisfied any failings on its part made a material difference to what happened. As above, for the reasons I've given and on balance, I'm not convinced that they did. In terms of recovery, Mr T says he was told to create a crypto wallet so he could send funds to the scam. I'm satisfied there was little Revolut could have done to recover his money once it had been sent, given also that the matter was reported some weeks after the final payment had been made.

Responses to provisional decision

I invited further comments and evidence from both parties. The deadline for these was 25 June 2025. I said that, unless new information changes my mind, my final decision would likely be along the lines set out in my provisional decision. Revolut hasn't provided further information. I've summarised Mr T's response as follows:

- He engaged in Revolut's *in-app* chat during the intervention on the first payment, where Revolut requested evidence of the purchase. Despite inconsistent responses regarding the purpose of the payments to the same beneficiary, Revolut didn't conduct a sufficiently thorough investigation.
- While the provisional decision acknowledges Revolut could have probed further, it does not adequately address whether Revolut's actions met the standard of proportionality and industry best practices in fraud prevention. He was clearly misled and guided by the scammer to provide false information.
- The interventions didn't sufficiently address the indicators of fraud that were evident through his varying explanations. The decision suggests further probing might not have prevented the scam. However, his inconsistent answers should have triggered a deeper investigation. Revolut's failure to ask additional questioning, especially when faced with conflicting information, represents a missed opportunity to prevent the fraud.
- Revolut has a duty of care to protect its customers from potential scams. The repeated inconsistencies in his responses should have prompted heightened vigilance, which could have potentially uncovered the fraud. A more rigorous intervention could have exposed the scam earlier and prevented the losses suffered.

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 for largely the same reasons as set out in my provisional decision (which is copied above and forms part of this final decision).

In my provisional decision, I explained how things played out during Revolut's interventions. I don't consider it necessary to repeat them here. I'll say this complaint concerns three disputed payments each made more than a week apart. The request for 'proof of purchase' didn't come about during the first intervention. That only happened on the third (and last) payment. And Revolut couldn't have known of any inconsistencies in the 'payment purpose' given for the first payment with that given on later payments that hadn't yet happened.

In any event, I've already acknowledged Revolut should arguably have done more at times with its interventions. I explained that for me to find Revolut should provide a refund, requires more than a finding that it ought to have gone further. I explained *why* I wasn't convinced, on the evidence, Mr T's losses would have likely been prevented even if Revolut had probed or taken more steps. I've not been provided with anything new that changes my mind on that.

I'm again mindful Mr T was coached by the scammer to provide misleading information. I don't suggest Revolut should always take responses it receives at face-value. But it is a relevant consideration when thinking, for example, about Mr T's mindset at the time; the extent to which he was under the scammer's 'spell'; and how things would, on balance, have played out if Revolut had taken additional (proportionate) steps to establish a possible scam risk – bearing in mind that, while Revolut had identified a payment risk, it wouldn't have known for certain that a scam (or what type of scam) was taking place.

As mentioned previously, Mr T was warned that being asked to hide the real reason for payments was a red flag for scams. This is what was happening but it didn't resonate with him at any time. When asked if a third-party or "*crypto*" was involved, he said there wasn't. The sending bank was also misled when it asked Mr T if anyone was coaching him to lie and if payments were for investment offering high returns. I again note Mr T says his returns were "*almost guaranteed*". In the scam chat, he was told 'trades' were "*100% safe*". There's talk of returns of £14,000 per month. Looking at the payment information Revolut had

available I'm not persuaded proportionate probing would necessarily have exposed the involvement of an investment or a third-party.

I pointed to evidence indicating that communication was across different numbers but only one scam chat has been provided. From the available messages, I've not seen enough that makes me think there came a point Mr T had developed concerns about the scammer, or what he was being asked to do, such that it's likely proportionate probing would have led to him opening up about what was happening. Instead, I can see Mr T reverted to the scammer when payments were blocked. He followed their instructions when questioned by the firms in the chain and the three separate lenders that were misled about the reasons for borrowing.

To add, Mr T has described the aspects that made him believe in the 'opportunity', including his ability to make a withdrawal. He thought he could see his 'profits'. I don't underestimate the tactics used to make the scam convincing and appealing. I realise Mr T was a victim in all this and I'm again sorry about the impact the experience has had on him. But, taking everything together, I still think he was heavily under the scammer's spell and that it's unlikely the scam would have been exposed if Revolut had done more with its interventions. I'm still not convinced he wouldn't have found a way around the truth or another way to make payments if necessary. And, as a matter of causation, I can't hold Revolut liable for his losses in circumstances where I think it's unlikely it would have prevented them.

My final decision

For the reasons I've given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 28 July 2025.

Thomas Cardia
Ombudsman