

The complaint

Mr T is complaining about Revolut Ltd because it declined to refund money he lost as a result of fraud.

What happened

Sadly, Mr T fell victim to a cruel impersonation scam. In summary, he was contacted by someone claiming to be Revolut who said his accounts had been compromised and he should move money to his Revolut account and then to a new secure Revolut account that was being set up for him. In reality, the caller was a scammer who had sufficient detail about him to reassure Mr T he was genuine and the money was paid away to the scammer via a third-party payment processor.

On 12 November 2024, Mr T made four payments that were lost to the scam, for £1,500, £1,491.99, £941.99 and £1,101.99.

Our investigator didn't recommend the complaint be upheld. They felt Revolut had shown appropriate warnings during the payment process to alert Mr T that he might be being scammed. They also noted that when he was asked about the reason for the payment, he didn't answer accurately.

Mr T didn't accept the investigator's assessment. He doesn't believe Revolut did enough to protect him, saying its warnings were ineffective given the specific and manipulative nature of the scam. He says Revolut's warnings weren't ignored, rather he was guided to bypass them by the scammer at a time when he was vulnerable, anxious and feeling overwhelmed. He also doesn't feel Revolut made appropriate efforts to recover his money.

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 T authorised the above payments. In broad terms, the starting position at law is that an Electronic Money Institution (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 T.

The payments

An initial attempt to make a payment instructed by the scammer was declined by Revolut. It then sent him a message saying it had identified a possible scam. This included a warning that Revolut will never ask him to move his money and that scammers often claim an account is compromised and that the customer needs to act urgently. The warning screens continued that payments to the merchant (the third-party payment processor) had been blocked.

When Mr T selected that he wished to unblock the merchant, presumably under the guidance of the scammer, he was shown a further screen that said the payment is unusual and had been flagged as a scam and that he needed to answer some questions. Revolut warned of the importance of answering the questions truthfully and that he may not get his money back if he didn't do so.

Mr T was then asked a series of questions, starting with whether anyone was pressuring him to make the payment. This question was accompanied by a warning that if he's being told what to say or that he needs to act quickly, it may be a scam, and that if someone is telling him to ignore the warnings, they're a scammer. Mr T answered that he wasn't being pressured.

Revolut then asked Mr T to confirm the purpose of the payment, to which he answered that it was part of an investment. This prompted Revolut to show a series of warnings relating to investment scams before the merchant was unblocked.

I've thought carefully about the risks presented by the payment Mr T was trying to make here and, on balance, I'm satisfied Revolut's response was proportionate to those risks and that the warnings shown were appropriate to the information he provided. If Mr T had selected that he was moving money to a safe account rather than making an investment, I've no doubt the final warning screens would have been different and may have alerted him to the scam that was taking place. But even before this final step, Revolut had warned that it would never ask him to move his money and that only scammers would tell him to ignore its warnings.

I understand Mr T has said he was guided through these screens by the scammer and that he went along with this because he genuinely believed he was from Revolut and trying to help him protect his money. I also appreciate the scammer's intention to create a sense of anxiety and urgency to prompt him to do things he wouldn't normally do. But I can't reasonably hold Revolut responsible for the consequences of the scammer's actions in

circumstances where I believe it gave clear warnings that should have been sufficient to prevent this type of scam.

Based on the outcome of this intervention, it appears Revolut was satisfied the further transfers Mr T went on to make successfully to the same merchant were genuine and it didn't intervene further in those payments. But even if it had done, I think it's likely the scammer would have guided Mr T through the warning screens in the same way and with the same result.

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

As the payments were card payments, they were approved immediately by Revolut and it wasn't able to reverse them. The only option to recover the funds would have been through the chargeback scheme. This is a voluntary agreement between card providers and card issuers who set the scheme rules and is not enforced by law. A chargeback isn't guaranteed to result in a refund, there needs to be a right to a chargeback under the scheme rules and under those rules the recipient of the payment can defend a chargeback if it doesn't agree with the request.

I'd only expect Revolut to have raised a chargeback claim if it was likely to be successful and it doesn't appear that would have been the case here. The payments were made via a legitimate third-party payment processor that provided the service it was engaged to provide, that of facilitating transfers from Mr T to the scammer. Mr T's disagreement is with the scammer, not the payment processor and it wouldn't have been possible for Revolut to process a chargeback claim against the scammer as he didn't pay them directly.

In conclusion

I recognise Mr T 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 don't think any further intervention by Revolut would have made a difference to the eventual outcome 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 T to accept or reject my decision before 8 August 2025.

James Biles
Ombudsman