

## **The complaint**

E complains that Revolut Ltd won't refund the full amount of money it says it lost to a scam.

## **What happened**

The circumstances of the complaint are known to both parties, so I'll only set out the key points here.

E says it was introduced to an investment opportunity and made substantial payments to invest from its account with Revolut. E sent money to one of its directors, who in turn paid the company it thought it was investing in. This it says turned out to be a scam.

When E realised it had lost its money, it logged a complaint with Revolut.

Revolut looked into the complaint but said it didn't have enough information to investigate the claim. So, E brought its complaint to our service.

Our Investigator looked into the complaint but didn't think E had sent money to a scam. Our investigator also found that even if it had been a scam, and Revolut had intervened by contacting E to discuss the payments before releasing them, this wouldn't have prevented E from making them.

E didn't agree – it feels strongly that it was a scam and has provided detailed information to support this position. Our investigator reviewed this information but didn't change his view.

As no informal agreement could be reached, the complaint has been passed to me to decide.

## **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 summarised this complaint briefly, and in less detail than has been provided. That's because I've concentrated on what I think are the significant complaint points here. If there's something I've not mentioned, it isn't because I've ignored it, but 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. This simply reflects the informal nature of the Financial Ombudsman Service as a free alternative to the courts.

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.

These 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 E claims to have suffered if, indeed, the disputed payments had been lost to a scam. E and its representative have argued in some detail why they believe E lost money to a company operating as a scam as opposed to offering a high-risk investment opportunity. But from what I've seen, I'm not persuaded that it was. I'll explain why.

When E made the payments to the company in question it was incorporated and regulated in an overseas jurisdiction. Regulatory requirements can vary between jurisdictions, but a scam is unlikely to submit itself to any kind of regulatory oversight.

It does seem that the investment company may not have been regulated to offer services in the UK at the time of E's payments, and before it made the payments some overseas regulators had issued alerts about the company E sent the money to offering services in their jurisdiction without being licensed to do so.

The International Organization of Securities Commissions (IOSCO) did also publish a warning about this company in late 2023 and its broker's licence was revoked in late 2024. But while this points to what appear to be legitimate concerns about the investment company's conduct, this doesn't mean that it was set up to defraud customers.

However, I would add that even if I were to conclude that the company was operating a scam, and Revolut ought to have intervened by contacting E directly to discuss the payments, I'm not persuaded it could have prevented its loss. This is because I'm satisfied its most likely E would have reassured Revolut that it had researched where it was sending the money. E has said it.

*"Googled them, reviewed their brochures/documents, read articles, and reviewed their website."*

At this point, the money was also going to another account in the name of the director of E - and the returns being promised also looked in line with the type of investment the company was marketing. So, these are more factors that I think would have reassured any advisor that E spoke to that it wasn't at risk from financial harm.

E could also have told Revolut that he was introduced to the company by someone it knew, rather than through unsolicited contact which is what we see a lot with these types of scams.

So, I'm not aware of any information Revolut could or should have known at the time from which it ought to have been concerned E was being scammed. It could have given E general fraud and scam advice in relation to investing in particular. But ultimately, I don't think I can fairly say it would have been able to give E any information that would have led it to doubt what it already knew about what it was doing, including if it had undertaken further reasonable research at the time.

So, even if E had been questioned in more detail about the investment by Revolut, I don't think it would've highlighted anything that would've caused concern or led Revolut to believe E was at risk of financial harm from a fraud or scam. Furthermore, even if Revolut did intervene and tell E to conduct further checks on its investment, I'm not persuaded it would have found any negative information online at the time it was investing.

E's payments were made by faster payment, and the warnings published on IOSCO were also added after E sent the money. So, I don't find this would have caused any concern to either E or Revolut. Some negative reviews about delays in withdrawals from the company began to appear in October 2022, but this was prior to E's payments.

I'm also aware that the investment company were alleviating any investors concerns about negative reviews on various group chat forums.

As E sent the money to an account in the name of its director, then on to the company, no recovery would be possible by Revolut. If the money remained in that account (which we know it didn't as we also have that complaint) E would have been able to transfer it back itself. Revolut are also not signed up to the Contingent Reimbursement Model (CRM) code scheme.

I'm sorry to disappoint E. But for the reasons I've explained I can't conclude that it would be fair or reasonable for me to direct Revolut to reimburse it for the payments it made

### **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 E to accept or reject my decision before 29 October 2025.

Tom Wagstaff  
**Ombudsman**