

## **The complaint**

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

## **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 2024 Mr M fell victim to an investment scam after seeing an advert on social media. He lost more than £5,000 over multiple payments by purchasing gift cards, between June and July 2024.

While £1,600 was refunded by another banking provider, Revolut said they had shown Mr M warnings and had asked what the payments were for. As Mr M had continued to authorise the payments, they weren't able to uncover the scam. And, while they tried to recover any funds, they were unsuccessful.

Mr M referred his complaint to our service. Our investigator was of the opinion that the payment amounts wouldn't be considered high enough to trigger Revolut's systems, given they were broadly in line with past account activity. In any event, he noted that when Revolut did intervene, Mr M provided them with inaccurate information and so they were unable to uncover the scam.

Mr M didn't agree with the investigator's view. Because of this, 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'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. 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. This simply reflects the informal nature of our service as a free alternative to the courts.

I'd like to also note that Mr M has mentioned another banking provider who refunded part of his loss. However, as this case is about Revolut, I will only be able to look into and comment on their actions.

I don't doubt Mr M has been the victim of a scam here – he has lost a large sum of money and has my full sympathy for this.

However, just because a scam has occurred, it doesn't mean Mr M is automatically entitled to be refunded by Revolut. It would only be fair for me to tell Revolut to reimburse Mr M for his loss (or a proportion of it) if I thought they reasonably ought to have prevented the payments made, or that they hindered the recovery of the payments.

I've thought carefully about whether Revolut treated Mr M fairly and reasonably in their dealings with him, 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 M'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 M 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 M 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 taken 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, 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 M to Revolut (either individually or collectively) were unusual enough to have expected additional checks to be carried out before the payments were processed.

While I can appreciate that money was going into the account and being moved out very shortly after, I don't think the payments Mr M has complained about were of a value and frequency so unusual or suspicious whereby I would've expected Revolut to have had sufficient reason to suspect he might be making them in relation to a scam and therefore warranting additional checks before processing them.

Nevertheless, Revolut did intervene on two of the payments that were made. I can see they provided warnings and also asked Mr M for the payment purpose. Mr M said he knew and trusted the payee, that he was paying family and friends money that he owed them, and that he had been given the payment details face to face. The payments were then held for three hours before being released, giving Mr M time to reflect further.

As the answers provided weren't accurate, it didn't allow Revolut to probe in a way that they could have done, had Mr M told them he was investing via something he found on social media.

I have also thought about whether I think it's most likely that had Revolut done anything more they could have prevented Mr M's loss. But having considered everything, I don't think they could have done. This is because I have read through the chat transcript and can see that Mr M was heavily led by the scammer when making the payments. Even when Mr M was sceptical about what was happening, he still followed the scammer's instruction and continued to make further payments.

Because of this, I am satisfied it's most likely that even if Revolut had done anything more, Mr M would have chosen to go ahead and make the payments, as unfortunately he was so heavily under the spell of the scammer.

Overall, having considered everything, while I appreciate and am so sorry that Mr M has been the victim of a cruel scam, I can't say that Revolut are responsible for his loss. Because of this, I won't be asking them to do anything further. I know this will come as a disappointment to Mr M, but I hope he can understand my reasons for the decision I've made.

## *Recovery*

I've also looked at whether Revolut took the steps they should have once they were made aware that the payments made were the result of fraud.

In relation to the bank transfers, Revolut said they contacted the beneficiary in an effort to recover the funds. Unfortunately, they were only able to recover £0.01.

Regarding the card payments, the chargeback process is relevant here. To explain, a chargeback isn't guaranteed to result in a refund as under the rules, a merchant can defend it if they don't agree with the request. We would also only expect Revolut to raise a chargeback if it were likely to be successful. I can see that chargebacks were raised but were unfortunately unsuccessful. Mr M paid a legitimate company to buy gift cards, and he would have received the service paid for.

I'm therefore not persuaded Revolut could have successfully recovered Mr M's funds.

## **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 M to accept or reject my decision before 9 October 2025.

Danielle Padden  
**Ombudsman**