

## The complaint

Mr T is unhappy that Revolut Ltd won't refund payments he says he made as part of a scam.

## What happened

In May 2023 Mr T was contacted by someone on social media offering a job opportunity. He was shown a professional looking platform and told he'd have to buy packages of tasks using cryptocurrency, and would earn commission through 'boosting' merchants' products by simulating traffic to their websites. After signing up and completing some training, Mr T was added to a group chat on an instant messaging service, supposedly with other people doing the work.

Mr T sent money from his bank account to his newly opened Revolut account, and from there purchased cryptocurrency – which was subsequently deposited into the platform. Initially the purchases were 'peer-to-peer' (P2P), and then later Mr T used an account with a trading company I'll call "N" to convert his funds into cryptocurrency. He made the below table of transactions as part of the scam.

No.	Date	Type/payee	Amount
1	16 May 2023	Transfer to P2P payee 1	£40
2	17 May 2023	Transfer to P2P payee 2	£29
	17 May 2023	<i>Credit from scammer</i>	£139
3	18 May 2023	Transfer to N	£850
4	19 May 2023	Transfer to N	£1,600
5	31 May 2023	Transfer to N	£3,075

After completing the first two sets of tasks, Mr T received a payment back – which he took to be the return of his initial deposits plus the commission earned. He says that persuaded him the opportunity was legitimate and encouraged him to send larger amounts to the platform. When Mr T did that with payment 3 Revolut asked him to select the purpose of it, and he chose 'paying for goods and services'. He was then shown some warnings related to that purpose, and afterwards opted to continue with the payment. Revolut didn't intervene on any of the other disputed transactions.

The tasks significantly increased in price as time went on, and Mr T's account was eventually put into a large negative balance – which he was told he'd need to recover before he could withdraw his profits. He borrowed funds to cover the final payment, but even after making that he still wasn't able to withdraw, and didn't have any more money to deposit into the platform. That's when Mr T did some further research and realised he'd been scammed.

In 2024 a complaint was raised via professional representatives, which said Revolut ought to have intervened as the payments were suspicious. Revolut's response said it wasn't at fault as Mr T had authorised the transactions – and it had provided sufficient scam warnings. Unhappy with the outcome, Mr T referred his complaint to the Financial Ombudsman Service for review.

One of our investigators considered everything, and didn't think the complaint should be upheld. In his view the transactions weren't suspicious enough to have prompted Revolut to be concerned Mr T might be falling for a scam. The investigator noted that Revolut did intervene to provide warnings on one of the payments, but thought that was proportionate in the circumstances as they were based on the purpose selected by Mr T.

Mr T didn't accept the investigator's opinion, and his representatives stressed that he was vulnerable at the time. That was due to having just moved to the UK and English not being his first language – meaning he wasn't able to fully comprehend the information being given to him. Mr T asked for an ombudsman to reconsider the complaint, so the matter was passed to me for a decision on the fair outcome.

### **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'm not upholding Mr T's complaint. I appreciate that will come as great disappointment to Mr T, who I know feels strongly that Revolut should have done more. I was also saddened to hear about how much the incident had affected him. There's no dispute that Mr T fell victim to a cruel and sophisticated scam. But what I must decide is whether Revolut ought to have been on notice he was at risk of financial harm, to the extent that it intervened further before processing the payments. On balance, I don't think that was the case here – and I've explained my rationale below.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that Electronic Money Institutions ("EMI's") such as Revolut are expected to process payments and withdrawals that a customer authorises them to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

But, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in May 2023 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that their customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before

processing a payment – (as in practice Revolut sometimes do);

- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

Revolut has a difficult balance to strike in how it configures its systems. It needs to detect unusual activity, or activity that might otherwise indicate a higher than usual risk of fraud, whilst not unduly hindering legitimate transactions. There are many millions of payments made each day, and it would not be possible or reasonable to expect firms to check each one. In situations where firms do (or ought to) carry out checks, I would expect that intervention to be proportionate to the circumstances of the payment.

Before we can assess whether Revolut did enough, in terms of fraud prevention, I'd first need to be satisfied the disputed transactions were lost to a scam – and, based on the evidence I've seen, I'm not. We've got some of the messages with the scammer, but none of the payments complained about are mentioned in those, and we haven't got any statements for Mr T's cryptocurrency wallets. So, although I can see he was talking to what appears to be a scammer at one point, I can't confirm he made these transfers as a result of the scam or under the instructions of the scammer. I also can't corroborate that the money was subsequently lost to the fraud. We don't have enough information about the source of the funds either, to be sure that Mr T is the one who has suffered a loss.

But even if I accept this money was his and lost to a scam, I don't think Revolut ought to have done more in the circumstances. This was a relatively new account, open a month and with few transactions, when the scam payments started. So Revolut didn't have a good understanding of what usual activity looked like for the account. It also wouldn't have known the first two transfers were to purchase cryptocurrency, and they were for small amounts so wouldn't have triggered Revolut's fraud detection system. But the payments prior to the scam were in the low hundreds of pounds at most, so the last three disputed ones were the largest seen on the account. They were going to an investment platform too, so the destination and size meant they did carry some risk.

Revolut wouldn't have known the payments were for cryptocurrency specifically though, as N offers a variety of trading options – and none of them were concerningly large, even the £3,075 transfer. One off larger payments on an account aren't necessarily an indication of fraud, and given 'stocks' was one of Mr T's stated account opening purposes it wasn't particularly out of kilter with anticipated use. There were time gaps between the payments too, which would have been reassuring to Revolut to an extent – as it indicated things weren't rapidly escalating, and allowed more time for any issues to come to light.

Revolut asked for the purpose of payment 3, and Mr T said it was to pay for goods and services – which wasn't strictly wrong, but wasn't the option that best fit (that was 'cryptocurrency'). Given that answer wasn't inconsistent enough to raise concerns, and there wasn't an obvious scam pattern forming, I think the warnings provided at that point were proportionate to the circumstances. I don't think the subsequent payments looked risky enough to have prompted any further interventions either. Revolut wasn't sufficiently on notice Mr T was falling victim to a scam.

Even if Revolut had provided warnings for either of the final two payments, I don't think those would have resonated. Had Mr T selected good and services again, then he'd have seen the same warnings that didn't prevent him from making payment 3. If he'd have selected 'cryptocurrency' then at the time that warning would have been geared towards investment

scams, and he was falling for a job scam – so any features highlighted wouldn't have adequately spoken to his situation.

Mr T's representatives have stressed that he wasn't able to fully comprehend the information he was being given, so there's a question mark over whether any warning (even one tailored to his circumstances) would have worked. But Revolut wasn't on notice it needed to make adjustments for any vulnerability, and the payments weren't sufficiently indicative Mr T was at risk of financial harm to warrant any kind of human intervention. So I think it acted fairly when processing the transactions.

I've also considered whether Revolut acted fairly once it was alerted to the fraud, and it contacted the beneficiary institutions who confirmed no funds remained. There was a delay in reporting the scam which meant recovery of money was unlikely. But if these payments were used to purchase cryptocurrency, that was then sent on to the scam platform, then no funds would have remained in the beneficiary wallets to be recovered anyway. I haven't seen any service issues either that I consider would warrant compensation.

Having considered everything, and whilst I was sorry to hear that Mr T has sadly lost this money, I don't think Revolut could reasonably have been expected to prevent that loss. So, I'm not directing it to refund the payments he sent.

### **My final decision**

My final decision is I don't uphold Mr T's complaint about Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 21 October 2025.

Ryan Miles  
**Ombudsman**