DRN-5732073

The complaint

Mr L complains that Revolut Ltd hasn't protected him from losing money to a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, Mr L has said that between August and December 2024 he made numerous transactions through his Revolut account for what he thought was a legitimate investment. Mr L subsequently realised he'd been scammed and got in touch with Revolut. Ultimately, Revolut didn't reimburse Mr L's lost funds, and Mr L referred his complaint about Revolut to us. As our Investigator couldn't resolve the matter informally, the case has been passed to me for a decision.

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 to not uphold Mr L's complaint for materially the same reasons as our Investigator.

I'm very 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. If there's something I've not mentioned, it isn't because I've ignored it – I haven't. 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, reflecting the informal nature of our service as a free alternative to the courts.

I don't doubt Mr L has been the victim of a cruel scam here. He has my heartfelt sympathy. Ultimately, however, Mr L has suffered his loss because of fraudsters, and this doesn't automatically entitle him to a refund from Revolut. The Payment Systems Regulator's APP scam reimbursement (ASR) rules introduced on 7 October 2024 aren't retrospective and don't apply to card payments, and Revolut hasn't signed up to the voluntary Contingent Reimbursement Model (CRM) introduced in 2019 (which in any case wouldn't apply to card payments or exchanges into cryptocurrency). So they don't apply to this case here. Still, there are other various and longstanding expectations of payment service providers like Revolut to be alert to fraud and scams and to act in their customers' best interests. But it would only be fair for me to tell Revolut to reimburse Mr L his loss (or part of it) if I thought Revolut reasonably ought to have prevented the payments (or some of them) in the first place, or Revolut unreasonably hindered recovery of the funds after the payments had been made; and if I was satisfied, overall, this was a fair and reasonable outcome.

I'm satisfied Mr L authorised the relevant transactions. Revolut would generally be expected to process transactions a customer authorises it to make. And under The Payment Services Regulations and the terms and conditions of the account, Mr L is presumed liable for the loss in the first instance, in circumstances where he authorised the transactions. That said, as a matter of good industry practice Revolut should have taken proactive steps to identify and

help prevent transactions – particularly sufficiently unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there are many transactions made by customers each day and it's not realistic or reasonable to expect Revolut to stop and check every payment instruction. There's a balance to be struck between identifying transactions that could potentially be fraudulent, and minimising disruption to legitimate transactions (allowing customers ready access to their funds).

In this case, however, I'm aware that Mr L made transactions as a result of this scam not just from his Revolut account, but also from an account he held with a third-party payment service provider I'll call Bank S. And both Revolut and Bank S did intervene in at least some of the transactions Mr L instructed from these accounts. Our Investigator went into some detail around this and there's no need for me to repeat everything here. Like our Investigator, I'm satisfied from the nature of these interventions from Revolut and Bank S that Mr L was warned that he could very well be falling victim to a scam. He wasn't upfront when asked for the real reasons he was making the payments. I can also see from Mr L's WhatsApp chats to the scammer on 3 September 2024 that Mr L said Revolut wasn't letting him transfer money because it had detected a scam, so he'd clearly understood this. Yet Mr L still proceeded with the payments. I'm also persuaded from the nature of Mr L's interactions with Revolut and Bank S that he was likely under the spell of the scam and scammer such that he would have been intent on making these payments and saying whatever he needed to get them made. I also think that even if Revolut had intervened further than it did, that it's likely that Mr L would unfortunately have sought to have made these payments in any event. Ultimately, I think Mr L would have been intent on making these payments in the face of clear warnings he was at risk of being scammed, and that I can't fairly say Revolut is at fault in not having prevented the loss.

I also wouldn't reasonably expect Revolut to have been able to recover Mr L's lost funds in the particular circumstances of this case for the same reasons our Investigator explained. In terms of the card payments, these were made to Mr L's own account and moved on to the scammers from there, so wouldn't reasonably have been recoverable by Revolut by the time Mr L notified Revolut he'd been scammed. And with regards to Mr L's first payment, which wasn't a card payment, Revolut tried to recover this but unfortunately was unable to, which I don't find surprising given this payment was made on 13 August 2024 and Mr L didn't report to Revolut he'd been scammed until some time after this. So by then, given the way fraudsters tend to operate, it was never likely to be recoverable by the time Mr L told Revolut he'd been scammed. This means I can't fairly hold Revolut responsible for Mr L's funds not having been recovered.

I've considered everything Mr L and his representative have said and I'm sorry Mr L was scammed and lost this money. However, despite my natural sympathy, I can't fairly tell Revolut to reimburse him in circumstances where I'm not persuaded I can reasonably say it was the cause of his loss.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 24 December 2025.

Neil Bridge
Ombudsman