

The complaint

Mr P complains that Revolut Ltd won't refund the money he lost when he fell victim to a safe account scam. Mr P is represented in this complaint, but I'll refer to him as it's his complaint.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr P explains the following:

- On 13 February 2024, he received text messages that he thought were from financial firms he had accounts with – two credit card companies, Bank A and Bank B. The messages were about fraudulent transactions and transactions being blocked.
- He was then called by a Bank A 'Fraud Protection Officer' (the scammer, who I will refer to as X), who had earlier spoken to his wife about her credit card account being breached.
- X informed him that there was substantial illegal activity on his Bank A account. Also, that his account with Bank B had been hacked. X said he had been tasked to help protect his funds and it was important that Mr P moves his funds from Bank A and Bank B.
- When X asked if he had any other accounts he could move his funds to, he told him he had an account with Revolut. X then suggested he transfer £25,000 a day (the daily limit) to his Revolut account.
- He transferred £5,000 from Bank A and £25,000 from Bank B to his Revolut account.
- He was prevented from transferring another £14,950 from Bank A as Bank A blocked his account. This was due to Mr P not recognising unrelated payments and him being asked to attend a Bank A branch. But X advised him that this was his intention so that the hackers would not have access to his Bank A account.
- X set up a messenger app and security passwords for him to chat with Mr P and then started to contact him late at night.
- X told him about continued hacking activity and to transfer £25,000 each day from his Bank B account to his Revolut account so it could then immediately be moved to a safe account he would set up with Bank B.
- He gave X his Revolut card details to enable X to transfer funds from his Revolut account to his Bank B safe account.
- He then started to approve payments:
 - Mr P says, *'there were normally two or three "transfers" every day immediately after the transfers from my Bank B account to the Revolut account of odd*

amounts, to obscure the trail for the hackers, so that the Revolut balance was always kept to a minimum'.

- Unbeknown to Mr P the payments he authorised went to Company Z (a global online marketplace) and not a safe account with Bank B.
- He was given a fake safe account statement which showed the transferred funds.
- Mr P explains that:
 - He would've realised it was a scam if he'd known that his funds were going to Company Z but Revolut didn't show this on their app. Also, he would've realised if he received email confirmation of payments made from Revolut.
 - When he queried X's methodology, he told us that X *'suspected someone from the bank of being part of the fraud and hence I should not contact anybody at the bank and that from what they had gathered, the crime was linked to organised crime. At one point he even suggested that I may be asked to act as a witness for any potential criminal action'.*
 - When he *'enquired why a Bank A Fraud Protection Officer was dealing with what had now become a Bank B/Revolut issue'* *'he explained that, as all my accounts had been compromised, he had been assigned my case and was dealing with it on behalf of all relevant parties'.*
 - X told him *'that once they were happy that I was no longer being hacked, all my accounts would be replaced by new accounts and all my funds would be present in the new accounts.'*

Mr P liaised with X for several weeks and between 13 February 2024 and 17 March 2024 he authorised 464 card payments for £1,118,836.23. However, Company Z made a number of credits back to his Revolut account, so his loss was £838,595.83.

Mr P realised he'd been scammed after reading a newspaper article and calling Bank B.

Mr P complained to Revolut and Bank B. Mr P believes Revolut failed to keep his account safe. He requested they refund his loss as they *'ought to have identified that Mr P had fallen victim to an APP scam at the outset or in any event at an early stage during the many large payments'*. In his complaint, Mr P said:

- Revolut should've been alerted to the fraud by the volume and frequency of the payments that were made into his account from his Bank B account and out of his Revolut account to Company Z.
- He rarely used his Revolut account and had never made a payment to Company Z before 13 February 2024.
- The payments to Company Z were out of character for him, not in keeping with his usual spending pattern *'and should therefore have sounded alarm bells on Revolut's internal monitoring systems'*.
 - Revolut did not follow *'Clause 5 of Revolut Terms & Policies which states that Revolut will send a notification to your mobile device each time a payment goes into or out of your account'*.
- As he didn't receive notifications of the payments, he questioned whether *'someone at Revolut may have been assisting the fraudsters by turning off payment notifications without his knowledge.'*

However, Revolut didn't uphold his complaint or provide a refund. They said *"We won't refund any money if you've acted fraudulently, or you intentionally or carelessly failed to keep your security details or Revolut Card safe"*.

Mr P brought his complaint to our service. Our investigator considered that Revolut ought to have intervened and questioned Mr P about the payments he was making. However, given how the scam unfolded, he didn't think they would've been able to unravel the scam. Also, he considered that Revolut efforts to recover Mr P's funds were sufficient.

As Mr P remains dissatisfied his complaint has been referred to me.

I issued a provisional decision on 17 July 2025, and this is what I said:

I've considered the relevant information about this complaint.

Our investigator didn't uphold this complaint, but I think Revolut Ltd should've done more to protect Mr P and this provisional decision sets this out.

The deadline for both parties to provide any further comments or evidence for me to consider is 1 August 2025. Unless the information changes my mind, my final decision is likely to be along the following lines.

If Revolut Ltd accepts my provisional decision, it should let me know. If Mr P also accepts, I may arrange for the complaint to be closed as resolved at this stage without a final decision.

What I've provisionally 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 should first say that:

- *I'm very sorry to hear that Mr P has been the victim of this cruel safe account scam and lost a significant amount of money here.*
- *Revolut is not a member of the Lending Standards Board's Contingent Reimbursement Model ("CRM") Code, which is a voluntary scheme designed to protect customers from fraud and scams.*
- *The only recourse Revolut would have to recover the funds would be to raise chargebacks for the transactions. However, as the payments were made to a legitimate business, and the goods purchased were likely provided (just not to Mr P), they had no dispute rights in this case.*
- *There is a limitation to what I can award in this case and Mr P's representatives have confirmed they are aware of this.*
- *In making my findings, I must consider the evidence that is available to me and use it to decide what I consider is more likely than not to have happened, on the balance of probabilities.*

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.

Having taken all of the above into account, for the reasons I shall set out below, I am minded to conclude that:

- *When Mr P authorised a bulk payment to Company Z for £19,580.26 on 14 February 2024, Revolut should've recognised that he could be at heightened risk of financial harm from fraud.*
- *Revolut should've then attempted to establish the circumstances surrounding that payment by, for example, directing Mr P to its in-app chat.*
- *Once it had established the circumstances surrounding the payment, Revolut should've provided a clear warning to Mr P and / or blocked any further transactions to Company Z.*
- *Had Revolut done so, I think it's more likely than not that Mr P's loss, from that payment onwards, would've been prevented.*
- *In those circumstances, I consider it to be fair and reasonable to hold Revolut responsible for Mr P's loss.*
- *Regarding Mr P's complaint to Bank B, that they also failed to intervene and prevent Mr P's loss, I upheld that complaint. So, some of the loss will need to be shared between firms.*

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it 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.

And, as the Supreme Court has recently reiterated in Philipp v Barclays Bank UK PLC, subject to some limited exceptions banks have a contractual duty to make payments in compliance with the customer's instructions.

In that case, the Supreme Court considered the nature and extent of the contractual duties owed by banks to their customers when making payments. Among other things, it said, in summary:

- *The starting position is that it is an implied term of any current account contract that, where a customer has authorised and instructed a bank to make a payment, it must carry out the instruction promptly. It is not for the bank to concern itself with the wisdom or risk of its customer's payment decisions.*
- *At paragraph 114 of the judgment the court noted that express terms of the current account contract may modify or alter that position. In Philipp, the contract permitted Barclays not to follow its consumer's instructions where it reasonably believed the payment instruction was the result of APP fraud; but the court said having the right to decline to carry out an instruction was not the same as being under a legal duty to do so.*

In this case, the terms of Revolut's contract with Mr P modified the starting position described in Philipp, by expressly requiring Revolut to refuse or delay a payment "if legal or regulatory requirements prevent us from making the payment or mean that we need to carry out further checks".

So Revolut was required by the implied terms of its contract with Mr P and the Payment Services Regulations to carry out his instructions promptly, except in the circumstances set out in its contract, which included where regulatory requirements meant it needed to carry out further checks.

Whether or not Revolut was required to refuse or delay a payment for one of the reasons set out in its contract, the basic implied requirement to carry out an instruction promptly did not in any event mean Revolut was required to carry out the payments immediately¹. Revolut could comply with the requirement to carry out payments promptly while still giving fraud warnings, or making further enquiries, prior to making the payment.

And, I am satisfied that, taking into account longstanding regulatory expectations and requirements and what I consider to have been good industry practice at the time, Revolut should in February 2024 fairly and reasonably have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances (irrespective of whether it was also required by the express terms of its contract to do so).

In reaching the view that Revolut should have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances, I am mindful that in practice all banks and EMI's like Revolut do in fact seek to take those steps, often by:

- Using algorithms to identify transactions presenting an increased risk of fraud;²*
- Requiring consumers to provide additional information about the purpose of transactions during the payment authorisation process;*
- Using the confirmation of payee system for authorised push payments;*
- Providing increasingly tailored and specific automated warnings, or in some circumstances human intervention, when an increased risk of fraud is identified.*

In reaching my conclusions about what Revolut ought fairly and reasonably to have done, I am also mindful that:

- Electronic Money Institutions like Revolut are required to conduct their business with “due skill, care and diligence” (FCA Principle for Businesses 2), “integrity” (FCA Principle for Businesses 1) and a firm “must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems” (FCA Principle for Businesses 3).*
- Over the years, the FCA, and its predecessor the FSA, have published a series of publications setting out non-exhaustive examples of good and poor practice found when reviewing measures taken by firms to counter financial crime, including various iterations of the “Financial crime: a guide for firms”.*
- Regulated firms are required to comply with legal and regulatory anti-money laundering and countering the financing of terrorism requirements. Those requirements include maintaining proportionate and risk-sensitive policies and procedures to identify, assess and manage money laundering risk – for*

¹ The Payment Services Regulation 2017 Reg. 86(1) states that “the payer’s payment service provider must ensure that the amount of the payment transaction is credited to the payee’s payment service provider’s account **by the end of the business day following the time of receipt of the payment order**” (emphasis added).

² For example, Revolut’s website explains it launched an automated anti-fraud system in August 2018:

https://www.revolut.com/news/revolut_unveils_new_fleet_of_machine_learning_technology_that_has_seena_fourfold_reduction_in_card_fraud_and_had_offers_from_banks/

example through customer due-diligence measures and the ongoing monitoring of the business relationship (including through the scrutiny of transactions undertaken throughout the course of the relationship). I do not suggest that Revolut ought to have had concerns about money laundering or financing terrorism here, but I nevertheless consider these requirements to be relevant to the consideration of Revolut's obligation to monitor its customer's accounts and scrutinise transactions.

- The October 2017, BSI Code³, which a number of banks and trade associations were involved in the development of, recommended firms look to identify and help prevent transactions – particularly unusual or out of character transactions – that could involve fraud or be the result of a scam. Not all firms signed the BSI Code (and Revolut was not a signatory), but the standards and expectations it referred to represented a fair articulation of what was, in my opinion, already good industry practice in October 2017 particularly around fraud prevention, and it remains a starting point for what I consider to be the minimum standards of good industry practice now (regardless of the fact the BSI was withdrawn in 2022).*
- Since 31 July 2023, under the FCA's Consumer Duty⁴, regulated firms (like Revolut) must act to deliver good outcomes for customers (Principle 12) and must avoid causing foreseeable harm to retail customers (PRIN 2A.2.8R). Avoiding foreseeable harm includes ensuring all aspects of the design, terms, marketing, sale of and support for its products avoid causing foreseeable harm (PRIN 2A.2.10G). One example of foreseeable harm given by the FCA in its final non-handbook guidance on the application of the duty was "consumers becoming victims to scams relating to their financial products for example, due to a firm's inadequate systems to detect/prevent scams or inadequate processes to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers"⁵.*

Overall, 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 February 2024 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 its 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;*
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;*
- 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 does).*

³ BSI: PAS 17271: 2017" Protecting customers from financial harm as result of fraud or financial abuse"

⁴ Prior to the Consumer Duty, FCA regulated firms were required to "pay due regard to the interests of its customers and treat them fairly." (FCA Principle for Businesses 6). As from 31 July 2023 the Consumer Duty applies to all open products and services.

⁵ The Consumer Duty Finalised Guidance FG 22/5 (Paragraph 5.23)

With all the above in mind, I considered the following:

Did Mr P authorise the payments to Company Z?

I first considered whether Mr P did authorise the payments to Company Z.

Mr P says the following which suggests he didn't authorise any of the transactions:

- *'He had no idea that the payments were being made to Company Z.*
- *He received no notifications in respect of any of the relevant payments.*
- *He is concerned that someone at Revolut may have been assisting the fraudsters by turning off payment notifications without his knowledge.'*

However, in the following, he describes both receiving and confirming authorisation requests:

- *'Every day, immediately after I had made the transfer from my Bank B account to my Revolut account, there were normally two or three transfers in varying amounts out of my Revolut account. I had given [the fraudster] my Revolut card details and would receive authorisation requests through the Revolut app, asking me to confirm the payments/transfers (but not providing any details regarding the destination of the payment).'*

So, Mr P's dispute is that he didn't know the payments he was authorising were going to Company Z. He thought they were going to his Bank B safe account, and he couldn't see a payee. Also, Revolut failed to send email notifications which would've shown that the first payment he authorised went to Company Z

Revolut strongly contest that Mr P didn't know the payment authorisations were to Company Z. Regarding the lack of email notifications, Revolut say 'these are generally only sent for transfers and not card payments' but didn't give detail on circumstances where they are used for card payments.

Our service doesn't have the power to interrogate the systems of a firm or investigate allegations of internal fraud. This is because we aren't the regulator of financial services.

To support their position that Company Z was clearly visible to Mr P at the point of authorisation, Revolut have:

- *Confirmed that banking security protocol was used called 3DS verification.*
- *Illustrated how the payee (Company Z), to which the payment corresponds, would always be displayed.*
- *Confirmed and illustrated that Mr P's mobile device was the only one verified and linked to his account*
 - *Also, confirmed it was used to a) log in everyday b) authorise the transactions and c) report the scam.*
- *Pointed out that, for the mobile device Mr P has, remote access applications can't be used.*
 - *Also, only screen mirroring is permitted but this wouldn't allow a third party to undertake transactions.*

Revolut also consider that Mr P knew his funds were going to Company Z. This is because:

- *They've seen Mr P's below chat with X which they consider demonstrates, together with their activity log, that Mr P was checking his accounts and must've known about Company Z as this was where the refunds were coming from:*
 - *'[14/03/2024, 18:48:51] (X), Hello (Mr P), just an update that bigger refunds should appear in the Revolut over the next few days. Please be sure to send an update here once the balance is over 15,000 from refunds alone. Thanks*
 - *[14/03/2024, 19:52:12] (Mr P): Hi (X) nothing major received as yet'*
- *And Mr P's statements clearly show the debits and credits to / from Company Z*
 - *This would've also appeared on his app.*

Revolut have also explained why Mr P would authorise 'two or three transfers in varying amounts' and not the high volume of smaller transactions that were being paid. They explain that many of the payments were made offline, which they consider to be common for Company Z, and this means that the authorisation amount is for the total of the transactions and the transactions are displayed later that day. They illustrated how Mr P authorised £28,434.50 on 14 February 2024 and all the transactions would be visible on the account later that day.

I appreciate that ordinarily a customer would always expect to see the payee before authorisation and, in this safe account scam, Mr P thought that X was arranging for the payments to go to Bank B in a disguised form.

It isn't possible to know all of Mr P's dialogue with X, as most of it occurred over the phone, and I appreciate Mr P thought that X was arranging for the payments to go to Bank B in a disguised form. But having considered the above, I find Revolut's evidence that the payee (Company Z) wasn't obscured from Mr P on the app authorisation screen, persuasive.

Although Mr P didn't receive email notifications after each payment, I think he either:

- *Ought to have known, from the authorisation app screen, that Company Z was where his payments were going – and at least would have noticed that when checking his statement (which it seems likely he did, going by the chats with scammer).*

Or

- *Saw Company Z mentioned on the 3DS screen, but thought that was part of the obscuring process, to keep what was happening from those on the inside, and believed the funds were instead going to a safe account.*

Either way, I think he knew that he was authorising payments to leave his account, though he might have been tricked about the actual end destination of them.

So, having considered the above, I'm satisfied that Mr P did authorise the payments to Company Z.

Should Revolut have recognised that Mr P was at risk of financial harm from fraud?

From analysing Mr P's statements, I found that, prior to February 2024, Mr P only used his Revolut account occasionally, there had been periods where it was dormant and Revolut accept it 'wasn't his main account with a consistent balance held in it (such as receiving their salary into it etc)'. Also, the occasional payments Mr P did make were for very low amounts and both his highest payment and balance was less than £1,000. In addition, Mr P hadn't previously made any payments to Company Z.

I recognise that Company Z is a very popular company, and a customer may suddenly decide to use their account very differently. So, the following transactions, visible on 14 February, may not have stood out as suspicious:

- *Mr P crediting his account with £30,000*
- *Mr P authorising (via 3DS) the following three payments to Company Z totalling £29,993.21:*
 - A. *£5,002.96*
 - B. *£19,580.25*
 - C. *£5,410.00*

But as explained in the previous section, each of these payments comprised of a high number of smaller payments.

The order of the three bulk payments isn't clear from Revolut's submission and appears to be in the above order, which means at the time Mr P authorised the payment for £19,580.25 they would've seen 15 transactions with Company Z and 11 of these were over £1,000:

- *4 between £1,000 and £2,000*
- *5 between £2,000 and £3,000*
- *1 between £3,000 and £4,000*
- *1 between £4,000 and £5,000*

So, having previously used his account infrequently, Mr P was suddenly making a high velocity of payments with a number of these greater than his previous highest amount. Also, most of the transactions were processed at the same time or within approximately twenty minutes of each other.

So, I think Revolut should've been suspicious from the 14 February 2024 and payment B, and seen the pattern here, which continued day after day, as a potential indicator of a scam.

What did Revolut do to warn Mr P and check he wasn't at risk of financial harm

The above payment pattern continued until the 17th of March 2024 resulting in 464 payments being made to Company Z. However, I can't see that Revolut did any analysis, considered questioning Mr P or have provided sufficient evidence to persuade me they intervened. I also haven't been persuaded that the payments weren't unusual, and it wasn't proportionate for them to intervene. And if a firm doesn't question payments that indicate a scam risk then it can't fulfil its responsibility to protect customers.

What kind of intervention should've Revolut provided?

Considering the picture Revolut would've seen at the point of authorisation B (see above) and thereafter, I would've expected them to have put in place an intervention – either via in-app chat or a call – with a fraud and scam agent.

I would've expected an agent to ask Mr P some probing questions about the payments, whether anyone was instructing him and, depending on his answers, also give him warnings about common types of scams.

If Revolut had intervened in the above way, would that have prevented the losses Mr P's suffered?

As mentioned above, it's not possible to know everything X told Mr P and it can be argued that Mr P knew (or ought to have known) about the involvement of Company Z, meaning Revolut not adhering to the following from their personal terms (which I can't see say differentiates between transfers and card payments) wouldn't have made a difference:

- 'It's important that you know what payments go into and out of your account*
- We will send a notification to your mobile device each time a payment goes into or out of your account.'*

However, Company Z provide goods and services, so it's very difficult to know what plausible cover story X could've given Mr P for making payments to them. And how payments could then get to a safe account.

I haven't seen any information about the Company Z purchases and I note Mr P hasn't complained to them. But even if X had given Mr P a cover story about Company Z and persuaded him, I think, more likely than not, that Mr P wouldn't have been told what he was purchasing from Company Z.

So, I thought about the above when considering what would've happened on an intervention call.

I also considered X's ability to coach Mr P via chat and Mr P's call with Bank A where I found he hadn't been truthful with the agent because he had been convinced all his accounts were at risk of fraud.

Regarding the Bank A intervention call, the trigger for this included other attempted payments which Mr P didn't recognise and the situation was very different. The Bank A agent commented on the risk of fraud and scams and the following were the four main questions he asked together with Mr P's answers:

- 1. Bank A question - What is the reason for sending the funds to Firm C?*
 - Mr P's answer – He was getting very close to limits.*
- 2. Bank A question - Why have you opened the account with Firm C?*
 - Mr P's answer – He'd had the account for some time and now was a good time to start using it.*
- 3. Bank A question - 'Are you receiving any calls from someone claiming to be from the bank's fraud team or some other third party asking you to transfer this money could be for safety or other reasons'*
 - Mr P spoke about receiving a message, missing a call and not knowing who that was from.*

4. *Bank A question – Probably due to Mr P's answer to question 3, the agent asked Mr P a closed question about whether anyone was either making or pressurising him to make the call*
 - *Mr P said 'No nothing of that sort'.*

The Bank A agent blocked the attempted transfer and Mr P's account and asked him to visit a branch. He said this was because of other transactions that were suspected to be fraudulent as Mr P didn't recognise them.

Mr P's messenger app chat comments show that he was speaking to X daily and sharing information with him. Also, he'd been convinced by X that there was a significant risk in speaking to any of his banks as all his accounts had been compromised and they had been infiltrated by an organised crime group. So, this explains his evasive and false answers to question 3 and 4.

I think the Bank A agent should've been suspicious about Mr P's answer to question 3 as it was evasive (and perhaps he was as he asked question 4), and I would've expected him to have picked up on this and then asked probing questions. Also, to have given educational information on how safe account scams work rather than asking the closed question. Banks ought to be alive to the fact victims get given cover stories and are persuaded not to reveal what's happening - so a warning explaining how this works, despite his answer, would've been important. However, in this case though the agent had the reassurance of directing Mr P to a branch.

Considering the above, I think, on the balance of probabilities, a Revolut intervention would've led to one of the following two outcomes, both resulting in the scam being uncovered or stopped:

1. *Mr P would've, upon the very mention of Company Z (in a 'what are you buying from Company Z' question), or having it confirmed payments were actually going there rather than it being a front for a safe account at Bank B, immediately realised he was being scammed.*
2. *A skilled fraud and scam agent would've:*
 - *Been concerned and probed the Company Z purchases.*
 - *Questioned him on whether anyone was forcing or telling him to make the transactions.*
 - *Asked for corroborating evidence.*
 - *Given him scam warnings.*
 - *Become suspicious. This is because:*
 - *Mr P would've likely sounded hesitant as there wouldn't have been a cover story the scammer could've given him that would explain these transactions sufficiently.*
 - *What they were seeing was so concerning and indicative of fraud. So, any story the scammer did try to give him about buying things from Z as a way to cover tracks or hide what they were doing from those on the inside, wouldn't have made sense, and would have been a big change in the story he'd been told by X, so would have alerted him to something being wrong.*
 - *Blocked the transactions and / or suspended Mr P's card*

I noted that Revolut say, 'if we blocked Mr P's account, as Bank A did, the customer would have simply started using another bank account to move their funds'. However, at that time Mr P didn't have another account to use.

I'm persuaded that reading a news article and then understanding how safe accounts work is what unravelled the scam. So, I think in the above outcome, scenario 2, it's more likely than not that Mr P would've received similar information and realised on the call or after the call that he was being scammed through purchases being made to Company Z.

So, regardless of whether Mr P did or didn't know his funds were going to Company Z, had Revolut intervened at the very beginning they would've prevented any further loss.

Should Mr P bear any responsibility for his loss?

In considering this point, I've taken into account what the law says about contributory negligence as well as what's fair and reasonable in the circumstances of this complaint.

The concept of contributory negligence centres around whether or not a consumer should have done something to mitigate their losses or should share some responsibility for them.

I've thought about whether Mr P did enough to protect himself from the scam.

I understand there were sophisticated aspects to this scam and some of the documents, such as the Bank B safe account statement where funds were supposedly deposited, do look convincing at first glance. I also recognise that Mr P was acting under the fear of losing all his money and the amounts involved are very high.

I appreciate X was very persuasive and made Mr P think this was an attempt by an organised crime group to target all of his accounts. But I think there were signs, especially for someone I wouldn't describe as an average customer (due to his profession and experience with finance and risk), that things weren't quite right throughout the relatively long period Mr P was making payments to the scammer.

I think the following should've appeared unusual to Mr P:

- *A representative of one bank (Bank A) having control and / or influence over other banks (to set up a safe account with Bank B), and possibly a company (Company Z), when none of the banks or companies are linked in any way.*
- *Despite the above, and the urgency to prevent fraud:*
 - *X said he was able to block Mr P's Bank A account 'so that the hackers would not have access to that account' but he couldn't do the same with his Bank B account despite being able to open a safe account.*
 - *X required Mr P's Revolut card details, which given the level of access he supposedly had across the firms, he would have known if that were true.*
 - *X didn't propose greater transfer amounts (from bank B) than £25,000 – surely the daily limit could be waived by X if his money really was at risk.*
 - *The process went on for a number of weeks, and if his money was at risk then the money would have moved quicker.*

- *X insistent on midnight calls and not allowing him to speak to a superior.*
- *It was complicated with it being necessary for X to pass funds back to Mr P's Revolut account, without a good explanation for why that was happening.*
- *Mr P could see discrepancies with his safe account balance.*
- *Mr P couldn't gain access to his funds or see any evidence of what X said, about fraudulent car orders, crypto purchases and holiday bookings on his account, when X first contacted him.*

So, after the initial shock, I think Mr P should've contemplated on the above and sought advice or looked to independently verify X and validate what was happening. I appreciate Mr P was convinced that it wasn't safe to speak to bank staff, but he could've looked at validation through speaking to someone independent, like a financial advisor, or approaching the police. Even if he'd have searched 'safe accounts' online, then he'd have realised he was falling victim to a common scam scenario – and I think there were sufficient red flags here to have warranted a bit more due diligence on his part. Particularly given the amounts at stake, and the connections he'd have access to through his work. Mr P could also have challenged X on some of the more concerning aspects (though I appreciate he did push back on what he was told at times), and the fact X couldn't have (for instance) lifted the daily limits or blocked his account at Bank B would have likely alerted Mr P to the scam.

In addition, if it is the case, as Mr P asserts, that he didn't know his funds were going to Company Z and knowledge of this would've alerted him to the scam, then this information was clearly visible to Mr P in the form of statements that Revolut provided to him. So, Mr P could've stopped the scam himself.

So, regarding Mr P's claim for a refund, although I think Revolut should've intervened at the point of transaction B (see above), I think it would be fair and reasonable to make a reduction in the award based on the circumstances of this complaint.

Service

Finally, I looked at the service Mr P received when he contacted to report a 'sophisticated fraud' on 18 March 2024, and I found this to be poor. I say this because at a time of heightened stress Mr P wasn't asked any questions, was required to register each chargeback, these were auto rejected when agents ought to have known chargebacks wouldn't be successful and given the context some messages such as 'I wish you a great day' were inappropriate.

Putting things right

Mr P's loss is £838,595.83.

For the reasons explained above, I find that Revolut ought to have been able to uncover the scam and prevent further loss by intervening after Payment A for £5,002.96 on 14 February 2024. I don't think Revolut, or Bank B, could have prevented the loss incurred prior to that point. Mr P should also fairly share liability for the loss from the same point, as a result of my finding on his contributory negligence.

Bank B wasn't sufficiently on notice Mr P was likely falling victim to a scam until later, as it was aware of less risk factors than Revolut (until a suitably concerning pattern has emerged) – and I've dealt with that under a separate decision. The point at which Bank B ought to have intervened means it ought to have also prevented the loss after

transferring £75,000 the Revolut account – so from that point onwards, all three parties (Revolut, Bank B and Mr P) should equally share responsibility.

That means:

- *The total loss that could've been prevented is £833,592.87 (£838,595.83 less £5,002.96).*
- *Mr P and Revolut share responsibility for £75,000 of the total loss – So, Revolut should refund 50% which is £37,500.*
- *For the remaining amount of £758,592.87 all three parties share responsibility – so Revolut should additionally refund Mr P £252,864.29.*

Revolut should also pay 8% simple interest yearly on the refund, from the date of the transactions until the date of settlement, to compensate Mr P for the time he was deprived of use of those funds.

For the reasons I've explained above, I also think the poor service provided by Revolut when Mr P reporting the scam warrants additional compensation for the impact those mistakes caused. Having considered our approach to these awards, and our published guidance for customers, I think the description and examples provided in the 'up to £300' range are commensurate with what happened here, and considering the specifics of this case I've found £250 is the amount to rectify the practical and emotional effects of the poor service. So, in addition to refund calculations above, I direct Revolut to pay Mr P £250 compensation by way of apology.

I don't make any further award for the distress or inconvenience caused by the scam itself, as the fraudster is largely to blame for that – and other parties (including Mr P) contributed to the loss. So, I think the refunds directed, and the interest payment on that redress, fairly address what happened.

My provisional decision

My provisional decision is to uphold this complaint against Revolut Ltd and I require them to:

- *Provide Mr P with a refund of £290,364.29*
- *Plus, simple interest at 8% per annum from the date of the payments to the date of settlement*
- *Pay £250 compensation*

This is subject to any comments that either Revolut Ltd or Mr P may wish to make.

These must be received by 1 August 2025.

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.

All parties responded to my provisional decisions.

Mr P challenged the lack of intervention from Revolut and Bank B.

My above provisional decision set out that Revolut ought to have been able to uncover the scam and prevent further loss by intervening after Payment A for £5,002.96 on 14 February 2024, and Revolut didn't challenge this or make further submissions. They said that, after careful consideration, they have nothing further to add and await the final decision.

Regarding Bank B's lack of intervention, Mr P considered they should've intervened before he'd transferred £75,000, so they should be held liable for a higher amount. Bank B didn't think it was necessary for them to intervene at all, and they said that even if they it wouldn't have made any difference.

Regarding shared liability, Mr P doesn't agree that he ought to share the same level of responsibility as Revolut and Bank B. He considers it should be significantly less than one third. Mr P's reasoning included the following:

- Both Revolut and Bank B are large banks with significant resources and ongoing duties to protect customers, to monitor accounts and to intervene as and when appropriate.
- Revolut and Bank B should've unravelled the scam shortly after it began.
- It is unreasonable to think that he should've had the same level of awareness as the banks and, by extension, it is not reasonable to attribute to him the same level of responsibility for the loss suffered.
- Regarding my comments about contributory negligence and payments to Company Z being clearly visible to Mr P and that he could've stopped the scam himself Mr P said:
 - When approving payments, the only transactions that were visible immediately were the summary amounts that he had authorised (where, as Revolut explained, multiple smaller transactions were grouped together).
 - He *'had no reason to assume that he should click on those summary transactions to check if they were made up of multiple smaller transactions, and did not do so. And hence there was no way of him knowing – and he did not know – that there were a significant number of transactions being processed by his approval rather than only one. The approvals certainly did not reveal Company Z as the payee. Therefore, he maintains that he had no knowledge of the multiple transactions being processed to Company Z in the background which, in his view, would have unravelled the fraud'*.
 - Mr P believes that the fraudster had help from the inside at Revolut.
- Mr P pointed out the emotional and psychological toll that the fraud has taken on him and his family and how the *'immense psychological pressure' 'no doubt affected his capacity to spot potential warning signs or to act with the caution and scepticism that might otherwise be expected of a person in his position'*. He said *'neither Revolut or Bank B was under a remotely comparable level of pressure' and 'given the clear disparity in psychological pressure between Mr P and his banks, it is Mr P's submission that it is not appropriate to ascribe the same level of responsibility (i.e. one third apiece) for the loss suffered. Revolut and Bank B should be held to a higher standard and thus be responsible for a higher percentage of the loss suffered than Mr P'*.

Mr P's other comments included:

- He had no choice but to appoint a law firm to assist with his complaint due to his treatment from Revolut (which he said were *'frankly insulting and it doesn't appear as if they have treated the matter with any seriousness'*) and Bank B and their failure to admit any liability. He detailed the substantial cost, also tax charges on the amount he no longer had, and asked that this is considered in the final decision.

Final decision

I considered all of the above. For the following reasons my final decision is the same as my provisional decision.

Revolut didn't disagree with my finding that they ought to have been able to uncover the scam and prevent further loss by intervening after Payment A for £5,002.96 on 14 February 2024. Also, they didn't disagree with my finding that they provided poor service to Mr P. So, on these matters I adopt the findings in my provisional decision.

Regarding Mr P's complaint against Bank B, I considered the intervention point again and, for reasons explained to Mr P and Bank B, my final decision was the same as my provisional decision that Bank B should've intervened after transferring £75,000 to Revolut. And that an effective intervention, at this point, from a fraud and scam agent, probing his piece meal transfers to Revolut, would've more likely than not unravelled the scam.

I then considered all of Mr P's points on why he shouldn't have to share the same level of responsibility as Revolut and Bank B.

Although I've identified points that Revolut and Bank B should've intervened, and would've likely unravelled the scam, and recognise both Revolut and Bank B's responsibilities and the scammers' persuasive tactics, I still think there were a number of signs, especially for someone I wouldn't describe as an average customer, that Mr P should've acted upon. I've listed these in the contributory negligence section of my provisional decision.

I still think that, at the point I consider the first intervention should've occurred, Mr P could've prevented his loss (also mentioned in my provisional decision). Mr P still asserts that he didn't know his funds were going to Company Z and that such knowledge would've alerted him to the scam. Although Mr P didn't receive email notifications after each payment, I think he either:

- Ought to have known, from the authorisation app screen, that Company Z was where his payments were going – and at least would have noticed that when checking his statement (which it seems likely he did, going by the chats with scammer).

Or

- Saw Company Z mentioned on the 3DS screen, but thought that was part of the obscuring process, to keep what was happening from those on the inside, and believed the funds were instead going to a safe account.

So, either way, he knew that he was authorising payments to leave his account, though he might have been tricked about the actual end destination of them. And I'm satisfied this information was clearly visible to Mr P in the form of statements that Bank C provided to him.

I appreciate Mr P believes that the fraudster had help from inside Revolut, however I haven't seen any evidence to support this argument.

I empathise with the pressure the scammer asserted and the emotional and psychological toll that the fraud has taken on Mr P and his family. Also, him having to pick up a large tax bill on funds he has unfortunately lost. However, regarding these impacts, which I appreciate don't apply to Revolut and Bank B, they were caused by the cruel scammer and when considering this, together with Mr P's contributory negligence, I don't think it would be fair and reasonable for this to be a basis to require either bank to pay a higher share of his loss.

Regarding whether Revolut's liability should be greater than Bank B, as I think both banks should've intervened, but at different points (Revolut earlier, Bank B later), and could've also unravelled the scam, I've made the following calculations that reflect this, and upon reflection I think they are fair and reasonable:

- Revolut should've triggered an intervention after payments to the value of £5,002.96, so the loss that could've been prevented from that point is £833,592.87.
- Bank B should've triggered an intervention after payments of £75,000, so the loss that could've been prevented from that point is £758,592.87.
- So, Mr P and Revolut should share equal responsibility for £75,000 of the total loss.
- For the remaining amount of £758,592.87 all three parties share equal responsibility (£252,864.29 each).

I appreciate Mr P felt he had no choice but to appoint a law firm to assist with his complaint. However, our service is free and doesn't require legal representation, so I don't think it would be fair and reasonable to expect either Revolut or Bank B to pay for these costs.

Putting things right

So, having considered the above, my decision remains the same as my provisional decision and I'm still upholding this complaint against Revolut Ltd.

Revolut ought to have been able to uncover the scam and prevent further loss by intervening after Payment A for £5,002.96 on 14 February 2024 and, as a result of my finding on his contributory negligence, Mr P should also fairly share liability for the loss from the same point. Also, I think Revolut provided poor service.

So, to put things right I require Revolut Ltd to:

- Provide Mr P with a refund of £290,364.29 (50% of £75,000 and 1/3rd of £758,592.87) less any amounts already paid.
- Plus, pay simple interest at 8% per annum from the date of the payments to the date of settlement.
- Pay Mr P £250 compensation

My final decision

For the reasons mentioned above, I'm upholding this complaint against Revolut Ltd, and I require them to:

- Provide Mr P with a refund of £290,364.29.
- Plus, pay simple interest at 8% per annum from the date of the payments to the date of settlement.
- Pay Mr P £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 23 September 2025.

Paul Douglas
Ombudsman