

The complaint

Mr Y is complaining that Revolut Ltd hasn't refunded payments made from his account when he fell victim to a scam.

The complaint is brought on his behalf by a professional representative, but I'll mainly refer to Mr Y here.

What happened

The circumstances of the scam are known to both parties, so I'll only summarise them here.

In October 2022 Mr Y was contacted by someone (the scammer) who told him that funds were due to be returned to him from an unsuccessful investment he'd previously made. The scammer told him that cryptocurrency worth £450,000 was due to be returned to him, but to receive it he'd need to open accounts with Revolut and a cryptocurrency exchange, and transfer money into these accounts so they appeared to be active – to prevent any concerns about money laundering.

Mr Y says he allowed the scammer to access his computer via remote access. He says he moved funds from his bank account to his Revolut account and then, using remote access, the scammer made the following payments by debit card from his Revolut account to the cryptocurrency exchange. The scammer then moved the funds into their own cryptocurrency wallets.

Date of transaction	Time of transaction	Payment amount (excluding fee)
26 October 2022	8.17am	£10,438.82
26 October 2022	8.30am	£8,227.70
26 October 2022	10.25am	£10,361.10
26 October 2022	10.27am	£4,794.36

Mr Y realised he'd been scammed when the scammer asked him to take out a loan to make a further payment. He contacted Revolut on 1 November 2022 to report what had happened.

But Revolut told Mr Y it couldn't do anything to recover the payments he'd made.

Mr Y raised a complaint with Revolut, but it didn't agree to refund the payments to him. It said, in summary, that it considered Mr Y had authorised the payments as they had been approved in its app, and it didn't find that there were any grounds for it to raise chargeback claims to try to recover them.

Mr Y brought his complaint to the Financial Ombudsman Service. Our Investigator looked into what had happened, but she didn't think Mr Y's complaint should be upheld. She thought that Mr Y had authorised the payments to the cryptocurrency exchange, because he was aware they were being made, and he had completed Revolut's stronger authentication process to approve them. She did think that Revolut ought to have done more to intervene when the payments were made, but she didn't think this would have made a difference to what happened. She said this because Mr Y's bank had intervened in the payments he'd made to Revolut, and Mr Y hadn't been open and honest about the circumstances of them because he'd taken instructions about what to say to his bank from the scammer. Finally, she didn't think Revolut ought to have done more to attempt to recover the payments.

Mr Y didn't agree, so his complaint has been passed to me for review and 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.

I'm really sorry to disappoint Mr Y but having done so, I'm not upholding his complaint. I'll explain why.

Did Mr Y authorise the disputed payments?

The relevant law here is the Payment Services Regulations 2017 – these set out what is needed for a payment to be authorised and who has liability for disputed payments in different situations. With some exceptions, the starting point is that the consumer is responsible for authorised payments, and the business is responsible for unauthorised payments. Mr Y disputes authorising the payments (in that, he says he didn't carry them out himself) so I'll address this point first.

The PSRs specify that authorisation depends on whether the payment transactions were authenticated correctly – and whether Mr Y, or someone acting on his behalf, consented to them.

The PSRs go on to specify how consent is given. It must be in the form, and in accordance with the procedure, agreed between Mr Y and Revolut. I've reviewed the terms of Mr Y's account with Revolut that were in place at the time of the payments, but they don't specify exactly how Mr Y gives consent to online card payments. But broadly speaking, this is usually through entering the long card number, the card expiry date and CVV into the merchant's website (in this case, the cryptocurrency exchange).

From what Mr Y has said about making the payments, here it seems it was the scammer who gave the payment instructions using his card details and the remote access they had to his device. But Mr Y does appear to have been aware that payments were being made. And Revolut says the payments were authorised as Mr Y confirmed the payments in its app through its stronger authentication process for card payments.

I can see that the payments were approved using Mr Y's mobile device. And from what we know of how Revolut's security process works in its app it wouldn't have been possible for the scammer to have approved the payments using remote access. So, I'm satisfied it was Mr Y that completed the stronger authentication process on his own device.

Revolut has sent us some screenshots to show that the process flow here has steps which involve being shown a notification which says a payment is waiting to be reviewed, which then opens a screen in the app asking for the payment to be reviewed. The payment amount

and who it's being made to is shown on the screen with an option to confirm or reject the payment. So, I think it would have been clear that Mr Y was approving a payment when he pressed confirm.

Although Mr Y didn't enter his card details to make the payments, I'm satisfied that the payments were correctly authenticated using his card information and the stronger authentication process. I think that by completing these steps, Mr Y represented to Revolut that the payment instructions were genuine even if he didn't complete the payment instructions himself. And it was reasonable for Revolut to rely on this to process the payments. So, it's reasonable for Revolut to treat the payments as having been authorised and as such it isn't obliged to provide a refund.

Should Revolut have done anything to prevent the disputed payments?

I've concluded the payments were authorised, so I've gone on to consider if Revolut should have done anything to prevent the payments Mr Y made to the scam.

When a payment is authorised, Revolut has a duty to act on the payment instruction. But in some circumstances, it should take a closer look at the circumstances of the payment – for example, if it ought to be alert to a fraud risk, because the transaction is unusual, or looks out of character or suspicious. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payment. I'd expect any intervention to be proportionate to the circumstances of the payment.

I agree with the Investigator that Revolut ought to have been concerned that Mr Y was at risk of a scam when the disputed payments were made. The account had been newly opened, so Revolut would have been relying on generic indicators to decide if the payments appeared suspicious. But here, a payment of over £10,000 was followed in quick succession by a payment of over £8,000. And I think from the value and pattern of these payments, Revolut should have identified that Mr Y was at risk of financial harm through a scam and intervened when he attempted the second payment. I think an appropriate intervention would have been for it to contact Mr Y directly through its in-app chat to discuss the circumstances of the payment.

However, I don't think an intervention from Revolut would have prevented the disputed payments here. This is because even if Revolut had contacted Mr Y to discuss what was happening, I don't think he would have been open and honest about the circumstances such that it could reasonably have uncovered that he was falling victim to a scam.

I say this because Mr Y's bank did intervene when Mr Y moved funds to his Revolut account. It spoke to Mr Y on the phone on 25 and 26 October 2022 and asked him some questions about the payments. In the call of 25 October 2022 Mr Y confirmed he was making the payments to keep his funds separate, and he's told us this is what he'd been instructed to say by the scammer, so it seems he was following the scammer's guidance here. When the adviser asked him about remote access being detected on Mr Y's device, he said he recognised it and hadn't been instructed to download it. The adviser told him that he needed to check this as it was often used in conjunction with fraudulent activity. Mr Y also told his bank that he hadn't been put under pressure to make the payments and hadn't been told to give false information. So, Mr Y didn't give accurate information about the circumstances of the payments and as this conversation took place only a day before the disputed payments from Revolut, I don't think he would have given accurate information to Revolut either.

It's true that here, unlike the payments he made from his bank, Mr Y was making payments to cryptocurrency and Revolut would have been aware of this. But I think it's likely that the scammer would have instructed Mr Y to answer Revolut's questions about this as if he was

investing in cryptocurrency himself, without any involvement from a third party. And I think Mr Y would have followed the scammer's instructions. I'm also aware that as the scammer would likely have been able to see the questions Revolut would have asked Mr Y through their use of remote access, they would have been able to tell Mr Y how to answer each question as it was asked (or even potentially have answered the questions themselves).

Depending on how Mr Y answered Revolut's questions, it could potentially also have given Mr Y a written warning about investment scams. Of course, Mr Y wasn't experiencing an investment scam, because he thought he was making the payments to ensure he could receive a refund of payments he'd previously made, so the warning was unlikely to have been particularly relevant to his own circumstances. But an investment scam warning would likely have covered off *some* of the key features of the scam Mr Y was experiencing, such as the scammer's use of remote access, or being contacted unexpectedly.

Even so, I don't think such a warning would have resonated with Mr Y. I say this because we know that Mr Y had allowed the scammer to access his device and to arrange for funds to be moved between his accounts. So, it's clear he had put a lot of trust in what the scammer had told him. And as I've mentioned, the adviser from Mr Y's bank had already warned him that the use of remote access was often a sign of fraudulent activity, but Mr Y didn't take that warning on board. I think Mr Y was under the spell of the scammer, such that he was prepared to be guided by them into providing inaccurate information to ensure that the payments wouldn't be prevented by either his bank or by Revolut. And in these circumstances, I think it's unlikely a written warning about investment scams would have resonated with Mr Y and prevented the disputed payments here.

I'm sorry to learn of Mr Y's circumstances and the reasons why he feels he was vulnerable to the type of scam he's experienced here. But I don't think Revolut were, or ought to have been aware, of any vulnerability which meant that it should have done more to prevent Mr Y's payments than the actions I've already described above.

Could Revolut have done more to recover Mr Y's payments?

When something goes wrong with a debit card payment it's possible to dispute it through a process called chargeback, subject to the relevant card scheme's rules.

Mr Y did initially report what had happened in November 2022, so I think this was within the time for chargebacks to be raised by Revolut. Revolut told Mr Y that it hadn't raised chargeback claims because they were unlikely to have been successful under the scheme's rules. And I agree. I say this because I've concluded that the payments were authorised, and they were made to a cryptocurrency exchange which provided the service Mr Y had paid for.

I'm really sorry to disappoint Mr Y. But I've not found that Revolut ought reasonably to have done anything else here which would have led to the payments being prevented. It follows that it wouldn't be fair or reasonable to ask Revolut to refund the payments he made to the scam.

My final decision

My final decision is that I'm not upholding Mr Y's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 9 January 2026.

Helen Sutcliffe

Ombudsman