

## **The complaint**

Mrs W complains Revolut Ltd (“Revolut”) didn’t do enough to protect her when she fell victim to a scam.

## **What happened**

Both parties are familiar with the circumstances of the complaint, so I’ll only summarise the details here.

Mrs W took a call from someone purporting to be from Revolut’s fraud department who we now know was a scammer. She said the scammer told her he was calling regarding suspicious activity on her account and when she checked there were suspicious payments. Mrs W said she was apprehensive, but the scammer knew the three digit code from the back of her card, that along with the suspicious payments as the caller informed her, made her think the caller was legitimate.

Mrs W said they told her that her phone had a virus which had compromised all her apps, including her banking apps. Mrs W told us the scammer asked who else she banked with and told her the fraud departments at different banks speak with each other. Mrs W said during the scam she spoke with someone from all the other banks she held accounts with.

Mrs W said the scammer informed her there were two devices linked to her Revolut account, she recognised one as her own and the other was in a name she didn’t recognise which I’ll call M.

The scammer convinced Mrs W all her funds across multiple accounts were at risk as a result and to keep them safe she needed to transfer all her funds to her Revolut account. Mrs W said the scammer opened a new account they named ‘R’ and linked it to her existing Revolut account.

At the direction of the scammer Mrs W said she moved her funds into an account she has with a high street bank I’ll refer to as B before moving them into her Revolut account. Mrs W was persuaded to take two loans one with B and another with a high street bank I’ll call H, both were lost to the scam. The scammer told her M had taken loans from these banks and she needed to replicate the borrowing in order to cancel it. She said the scammer talked her through the applications and some details were wrong with both which she found strange.

She said each time there was an alert from her bank the scammer was able to override it, including her Revolut account’s monthly limit, which Mrs W said made her feel the caller was genuine as an employee would be able to do this.

Mrs W realised she’d been scammed when speaking with her son the following day about what had happened.

Below are the card payments Mrs W made on 9 September 2024 from her Revolut account to R:

Payment	Amount
1	£1,800.00
2	£500.00
3	£1,850.00
4	£1,650.00
5	£950.00
6	£1,701.99
7	£1,151.99
8	£1,701.99
9	£1,651.99
10	£1,601.99
11	£1,551.99
12	£1,501.99
13	£1,301.99
14	£801.99
15	£1,001.99
16	£1,201.99
17	£1,401.99
18	£1,951.99
19	£1,951.99
20	£69.99

Mrs W complained to Revolut, and her complaint wasn't upheld. Unhappy with Revolut's response, Mrs W raised the matter with the Financial Ombudsman Service. One of our Investigators looked into the complaint and thought Revolut ought to have been concerned when payment 3 in the above table was made and intervened. They thought if it had the scam would have been uncovered and Mrs W's losses from, and including, payment 3 would have been prevented. Our Investigator recommended Revolut refund Mrs W in full from, and including, payment 3 with 8% simple interest applied from when the payments were made until they're settled.

Mrs W accepted the outcome. Revolut didn't agree. In summary, it said:

- Revolut blocked Mrs W's card more than once, and she reactivated it in order to continue making payments.
- It is illogical for someone who is acting to protect their funds to incur additional debt.
- The actions of other banks in the payment journey should be considered.

As an agreement could not be reached, the complaint has been passed to me for a decision.

### My provisional decision

I issued my provisional decision on 28 August 2025. I decided, provisionally, to uphold Mrs W's complaint in part. This is what I said.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

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.

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 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. 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;
- have been mindful of – among other things – common scam scenarios, how 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.

*Should Revolut have recognised that Mrs W was at risk of financial harm from fraud?*

I don't think Revolut ought to have been concerned when Mrs W made payments 1 and 2. While they could be considered unusual for how she typically used her account I don't think this is enough to say the payments were suspicious in nature.

However, the pattern of spending of the account after that does become suspicious. I think Revolut should have been concerned when Mrs W made payment 3 due to the combined total of the payments made to R and the speed at which funds were entering and leaving her account as it shows an emerging fraud trend – one indicative of a safe account scam. At the time these payments were made Revolut ought to have been aware of the common use of multi-stage fraud by scammers. Multi-stage fraud involves money passing through more than one account under the consumer's control before being sent to a fraudster. Revolut would also have been aware that scammers instruct their victims to move money in smaller chunks to avoid detection – and I believe this pattern indicated an attempt to evade Revolut's fraud controls.

*What did Revolut do to warn Mrs W?*

The payments were authorised using a feature known as 3D Secure whereby a customer is sent a notification in their banking app which requires their approval before they can complete the transaction.

Revolut told us Mrs W's card was declined three times and to continue making payments she needed to reactivate the card each time which she did. Revolut didn't intervene further on any payments and no warnings were given prior to processing payments.

*What kind of warning should Revolut have provided? And, if Revolut had provided a warning of the type described, would that have prevented the losses Mrs W suffered from payment 3?*

I've considered if Revolut's actions were proportionate to the risk these payments presented and I don't think they were. I'll explain why.

Given the above, I think a proportionate intervention at the time payment 3 was made would have been for Revolut to have asked automated questions of its customer regarding, among other things, the payment and its purpose.

I can't be certain what would have happened if Revolut had intervened in this way, so I need to make a decision on the balance of probabilities of what would most likely have happened if it had. Having thought carefully about this, I think Mrs W would most likely have positively engaged with questions asked and answered accurately. It's clear from her testimony that she believed she was speaking with Revolut and so contact from the real Revolut would have given her the pause she needed to consider what the scammer had told her. There's nothing on file to suggest she wouldn't have been honest with Revolut and the scammer hadn't expressed the fraud had come from within Revolut, so she had no reason to distrust it.

As part of a proportionate intervention, I'd have expected Revolut to ask Mrs W what the purpose of the payment was. I believe on balance she would have disclosed she was making the payment to keep her money safe and selected the option that best reflected this. As this points to a safe account scam, at the time this payment was made I would then expect human intervention from Revolut via its in-app chat or otherwise.

During human intervention I'd expect Revolut to ask open and probing questions and based on Mrs W's answers provide a tailored warning regarding the scam she was potentially falling victim to. As I have explained I'm satisfied she would have been honest in her answers. Therefore, Revolut would have realised she was most likely falling victim to a safe account scam and provided a tailored warning as a result. I'm persuaded if it had it would have uncovered the scam and prevented Mrs W from making payment 3 and those that followed and therefore prevented the losses she suffered from that point.

*Is it fair and reasonable for Revolut to be held responsible for Mrs W's loss?*

Given the above, I find Revolut missed an opportunity to intervene when payment 3 was made. I'm persuaded if it had proportionately intervened as I've described, it would have uncovered the scam and prevented Mrs W from making payment 3 and those that followed. I therefore find it's fair and reasonable to hold Revolut liable for her losses from and including payment 3.

The funds which Mrs W lost to the scam originated from accounts she held with other firms and included two loans. I've considered the actions of these firms who told us they didn't give Mrs W any warnings when she made the scam related payments.

While I have considered all of the facts of the case, including the role of other financial institutions involved, Mrs W has chosen not to complain about any other firm and I cannot compel her to do so. And, I do not think it would be fair to reduce Mrs W's compensation because she's only complained about one firm, as I consider that Revolut should have prevented the loss.

*Should Mrs W bear any responsibility for her losses?*

I've also considered whether Mrs W should share any liability for the preventable 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.

I believe the scam was sophisticated, persuasive and with the addition of fear and panic that Mrs W's money was at risk I can see why Mrs W thought she was dealing with a representative of Revolut to begin with. But overall, I do think it's fair to expect Mrs W to share some liability for her preventable losses.

Given Mrs W believed her funds weren't safe and that her banks were aware that she'd been hacked, I think she ought to have been concerned when she was asked to take additional borrowing in the form of two loans to keep her funds safe. From Mrs W's testimony she believed she was speaking with representatives of the firms involved who were working collaboratively to secure her money. She said she was told the fraudster was attempting to take loans in her name which ought to have been enough for the firms to know the additional borrowing wasn't Mrs W. I therefore think Mrs W should share 50% liability for the losses she suffered from the point she took the first loan.

### *Recovery*

I've thought about whether there's anything else Revolut could have done to help Mrs W — including if it took the steps it should have once it was aware that the payments were the result of fraud.

After the debit card payments were made, the only potential avenue for recovery of the payments would have been through the chargeback scheme. The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders. Revolut is bound by the card scheme provider's chargeback rules. Whilst there is no 'right' to a chargeback, I consider it to be good practice that a chargeback be raised if there is a reasonable chance of it succeeding. But a chargeback can only be made within the scheme rules, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid, and potentially succeed. Time limits also apply. Unfortunately, the chargeback rules don't cover scams.

### **Putting things right**

As explained above, I find on balance Revolut and Mrs W are equally liable for the losses she suffered after the first loan was taken and as a result Revolut can reduce the amount it reimburses by 50% from this point. The evidence shows the first loan was applied for between payments 11 and 12. I therefore think it's fair for Revolut to refund payments 3 to 11 in full and refund 50% of payments 12 to 20.

### Responses to my provisional decision

Revolut accepted the provisional decision.

Mrs W replied via her representative to say she disagreed. In summary she said:

- She doesn't recall reactivating her card, she said the scammer had control of her account.
- She contacted the other banks involved in the scam including those that issued the loans, and they said she should contact the beneficiary bank referring to Revolut.

### **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've thought about what Mrs W has said in response to my provisional decision, but it doesn't change my decision to uphold the complaint in part. I'll explain why.

As explained Revolut told us it blocked Mrs W's card three times and it was reactivated. Mrs W says she doesn't recall doing this and that the scammer had control of her account. This doesn't change the outcome, I'll explain why.

For the reasons I gave in the provisional decision I don't think Revolut needed to intervene on payments 1 or 2 but it ought to have for payment 3. I don't think Revolut's actions were proportionate to the risk payment 3 presented, and if it had proportionately intervened it would have uncovered the scam. Mrs W's card was blocked later in the scam and I believe blocking the card wasn't enough so in effect whether it was reactivated by the scammer or Mrs W doesn't make a material difference.

I understand Mrs W contacted the other financial firms involved in the scam, but she hasn't complained to them or raised a complaint about them with us. When considering if Revolut should be held liable for her preventable losses, I find it can, for the reasons explained, and I don't think it is fair to reduce her compensation because she has decided not to raise a complaint about the other financial firms.

### **My final decision**

For the reasons explained, and in my provisional decision, I uphold this complaint in part and require Revolut to:

- Refund from, and including, payment 3 to payment 11 which I calculate to be £13,811.94.
- Refund 50% of, and including, payment 12 to payment 20 which I calculate to be £5,592.96.
- Pay 8% simple interest per year on this amount, from the date the payments debited her account, until the date the refund is settled (less any tax lawfully deductible).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 9 October 2025.

Charlotte Mulvihill  
**Ombudsman**