

## **The complaint**

Mrs H complains that Revolut Ltd won't refund the full amount of money she lost to a scam.

## **What happened**

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. In summary, Mrs H fell victim to an investment scam after receiving an unsolicited message on a messaging app.

After Mrs H found out she had been scammed, she logged a complaint with Revolut.

Revolut looked into the complaint but didn't uphold it. So, Mrs H brought her complaint to our service.

Our investigator looked into the complaint but didn't uphold it. He found Mrs H was given a proportionate warning but went on to make the payments anyway. Our investigator did look into a complaint about the bank Mrs H sent the money from to her Revolut account and upheld it in part. This resulted in Mrs H getting back 50% of the money she lost from her Revolut account.

Mrs H didn't agree with the investigator's view. She thought she should get the full amount of money she lost back.

As no informal agreement could be reached, the complaint has been passed to me to decide.

## **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 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 focussed on what I think is the significant part here. 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. This simply reflects the informal nature of our service as a free alternative to the courts.

I've thought carefully about whether Revolut treated Mrs H fairly and reasonably in its dealings with her, both when she made the payments and when she reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold this complaint. I know this will come as a disappointment to Mrs H and so I want to explain why I've reached the decision I have.

I have kept in mind that Mrs H made the payments, and the starting position is that Revolut should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance. I appreciate that Mrs H

did not intend for her money to ultimately go to fraudsters – but she did authorise these payments to take place. However, there are some situations when a business should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant law and regulations; regulators' rules, guidance, and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time – Revolut should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and 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 payment service providers 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, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- 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.

I have reviewed the payments Mrs H made to the scam. Having considered when they were made, their value and who they were made to, I'm persuaded Revolut ought to have had concerns Mrs H might be at risk from financial harm when she made payment four. When this payment was made, Mrs H had sent a total of £6,000 in two payments and in short space of time.

Given the identifiable risk at the time, and what I deem to be a proportionate warning in the circumstances of the payment, I'm satisfied that Revolut should have asked Mrs H a series of automated questions to get a better understanding of the payment purpose. Revolut should then have provided a tailored warning based on the answers Mrs H provided. Here though, I'm satisfied it wouldn't have prevented the scam, I'll explain why.

Revolut did provide the warning I've described above on the first payment Mrs H made. Here Mrs H selected "investment," rather than "cryptocurrency" which was a more accurate description of what she was doing. Having said that, the warning still described some of the characteristics of the scam Mrs H was falling victim to, but she proceeded to make the anyway.

I can see from the conversation Mrs H had with the scammer that the people she was buying cryptocurrency from also thought she was involved in a scam when she explained what she was doing. This didn't concern Mrs H, even though the scammer told her to stop explaining what she was up to when making purchases.

Mrs H has said the scammer was coaching her on what to say to businesses if they intervened. So, given she was being coached, and she was bypassing relevant warnings, I'm not convinced Revolut could have prevented this scam.

I can also see around the time Mrs H made the fourth payment; she was recommending the investment opportunity to friends and family. So, I'm not convinced that a later warning would have had a different impact than the earlier one did, as Mrs H was clearly under the spell of the scammer and was invested in what she was doing.

It's worth noting that even I was to uphold this complaint, I'd only be looking at 50% of the amount lost due to the refund Mrs H has already received. And given the investigator has already explained why Mrs H ought to bear some responsibility for her loss by way of contributory negligence, and Mrs H has agreed to this, it's unlikely she was ever going to receive the full amount back. I've also looked at the reasons the investigator has given for reducing the award and they are in line with our services approach to these types of complaint.

Mrs H has said that she was suffering from vulnerabilities at the time of the scam. I've thought about this point carefully, and I'm sorry to hear of the challenges Mrs H has been facing. Here though I've not seen any information to show Mrs H had made Revolut aware of these at the point she made the payment.

As Mrs H sent money to her own account, before sending it on to the scammer, no recovery would be possible by Revolut. Revolut are also not signed up to the Contingent Reimbursement Model (CRM) Code.

Mrs H feels that Revolut should refund the money she lost due to the scam. I understand that this will have been frustrating for her. But I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Revolut needs to pay Mrs H any further compensation. I realise this means Mrs H is out of pocket and I'm sorry she's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 23 October 2025.

Tom Wagstaff  
**Ombudsman**