

The complaint

X, a limited company represented by its director Mrs C, complains that Revolut Ltd (Revolut) won't refund money that it said it lost to a purchase scam.

What happened

X was looking for shipping containers, which it planned to purchase and then rent out to another firm. Mrs C said she found an advertisement in relation to some, on an online marketplace. After doing research on the seller, which I'll refer to as K, she approached it.

Mrs C said she received photos of the containers and invoices were sent via email for each payment. Between December 2024 and February 2025, X made several international payments to purchase an initial ten containers, before deciding to purchase more. Payments were made to K, and to a shipping company which I'll call H. There was also a payment to an alleged employee of K, but this was returned shortly after it was made.

X was supposed to receive the shipping containers in January 2025, but instead it received unexpected requests from K and H for further money. After paying some of the initial unexpected fees, Mrs C refused to send any more and cancelled her order. She was promised the payments she had made were refundable, but then both K and H ceased communicating. So, Mrs C contacted Revolut and said that X had fallen victim to a scam.

Mrs C complained that Revolut should have intervened in the international payments that were made, as they were out of character and risky. Had it done so, it would've been uncovered that X was falling victim to a scam.

Revolut responded to the complaint and disagreed. It said the payments were in line with what you might expect from a business account, but that it did provide warnings when Mrs C set-up the new beneficiaries, which were ignored. It also said it didn't think Mrs C had done enough due diligence before making the payments.

The complaint was then brought to the Financial Ombudsman Service. Our Investigator said while they were persuaded that X had fallen victim to a scam, they didn't think Revolut could reasonably have been expected to prevent it. As it was a newly opened business account, the Investigator felt the activity was in line with what might be expected, and they didn't think Revolut missed any opportunity to unravel the scam.

Mrs C said she had no way of knowing that K and H were fake. She maintained that Revolut should have intervened, particularly after the international bank had declined one of the payments. As the experts in fraud, Mrs C said Revolut should have warned her that the companies were fraudulent. Had it done this the scam would've been uncovered.

So, 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.

Having done so, I'm not upholding X's complaint. I'll explain why.

It isn't in dispute that Mrs C, on behalf of X, authorised the disputed payments to K and H. Because of this the starting position – in line with the Payment Services Regulations (PSRs) 2017 – is that X is liable for them. But Mrs C also says that X has been the victim of an Authorised Push Payment (APP) scam.

Usually, when considering complaints such as this, I'd first need to determine if X has been the victim of an APP scam. To do that I'd need to consider whether K and H were dishonest schemes, that intended to deceive her into departing with X's money with no intention of ever providing the goods or services for which it had sent the payments for.

Both parties are in agreement that X fell victim to a scam, so I have proceeded to consider the case on that basis.

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 in December 2024 – when the payments were made - 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 including in relation to transfers);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving and the different risks these can present to consumers, when deciding whether to intervene.

I've kept the above in mind and considered how this might affect the payments X are disputing.

As I've said, Revolut is an EMI, and its electronic money accounts can often be used differently to a traditional current account at a bank. Accounts may be opened or used just for the purpose of undertaking a certain payment, or a series of payments, due to some of the benefits that a particular EMI might offer. For instance, customers may use EMIs to make large value transfers in another currency, due to the preferential exchange rates particular EMIs may offer.

This account had only recently been opened by X and the limited activity prior to these disputed payments, meant Revolut would have had little to compare to, to assess what activity was 'typical' for X.

I've also considered this was an account for a newly formed business. Business accounts, such as X's, by their very nature will be more likely to process larger value transactions than a personal account.

While it is true that what might look out of character or suspicious for a personal current account, may differ for a business current account, that doesn't mean Revolut should not have been monitoring X's account at all. However, there's a balance Revolut needs to strike on any account between identifying payments that could potentially be fraudulent – and then responding appropriately to any concerns – and ensuring minimal disruption to legitimate payments.

The disputed payments, ranging from around £2,000 to £10,000, were not made in a short space of time, which can often be an indicator the account holder might be at risk of financial harm. Instead, they were spread out over almost three months and varied in value, which isn't consistent with common payment trends seen in scams. I also think the later payments to K and H, would've become 'typical' activity for the account, given they were the payees that were used the most on the account in the early months of activity.

So, coupled with the lack of activity to compare too, I don't think the values of the payments in dispute would've appeared particularly concerning to Revolut in this case.

I have considered Mrs C's argument that Revolut ought to have intervened after one of the payments declined. My understanding is this was declined by the receiving bank, due to incorrect details being supplied. Payments can be declined for a number of reasons, which are unrelated to any suspicion of financial harm, fraud or scams. I'm not persuaded Revolut needed to consider that declined payment more closely at the time, and I wouldn't have expected it to take any action off the back of it.

While Revolut said it did provide a warning when the new beneficiaries, K and H, were set-up, which cautioned against making payments to payees that were not known or trusted, I don't think it needed to do anything further in relation to the disputed payments.

So, in this case, the pattern of payments wasn't consistent with fraud or a scam, and their values did not, in my view, indicate a heightened risk of financial harm. Therefore, my finding is that Revolut was right not to view the payments with suspicion.

I have considered, for completeness, whether my decision would have been any different, even if I had expected Revolut to take additional steps with any of the payments.

Revolut would've likely warned of the risks of purchase scams, asked questions about the goods X was buying and encouraged Mrs C to do her research. Mrs C had already carried out research, been given tracking information, received photos and seen nothing in the communication or documentation that raised suspicion that K and H were scamming X. So, I'm not persuaded that even if Revolut had intervened and provided warnings about purchase scams, that it would've affected Mrs C's decision making.

I know that Mrs C will be disappointed with this outcome. Not least because the matter has been ongoing for some time and X lost a large amount of money to this scam. But having considered the matter carefully, I'm not persuaded Revolut is liable to refund it, as my finding is that it didn't need to intervene in any of the disputed payments here.

Recovery

Mrs C first reported the scam to Revolut a few days after the last disputed payment. And I can see that Revolut contacted the receiving banks within two hours to see if any funds remained. It was only able to recover a small amount initially, before a slightly larger amount was also recovered. But I see that Revolut acted within a reasonable timescale, and I'm not persuaded it could have done more to recover the funds.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 17 March 2026.

John Ryan
Ombudsman