

The complaint

Mr M complains that Revolut Ltd won't refund money he lost when he was a victim of a scam.

Mr M is represented by a firm I'll refer to as 'C'.

What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

Around May 2023 Mr M received a WhatsApp message from an unknown person claiming to be a recruitment consultant offering him a remote-working job – which we now know to be a scam. Mr M was told the role involved optimising products, which required completing daily tasks on an online platform to receive commission that would be paid in USDT (crypto). As part of the scam there were 'combination' tasks that paid more commission. But these combination tasks also required Mr M to fund his account as they put it into a negative balance.

Mr M made about 45 payments totalling roughly £120,000 from his Revolut account to legitimate crypto providers between May and July 2023, before it was forwarded on to the scam.

Mr M realised he'd been scammed when his account on the scammer's website was closed, and he was unable to withdraw his earnings. C complained, on Mr M's behalf, to Revolut on 18 March 2024. Revolut said they needed more information to fully investigate the matter, but they confirmed that all correct procedures had been followed.

The complaint was referred to the Financial Ombudsman, but our Investigator didn't uphold it. In short, he said:

- Revolut should've done more before processing some of the payments. But he wasn't persuaded that, even if Revolut had questioned Mr M further, the scam would've been uncovered.
- Mr M provided his other banking providers – who I'll refer to as 'H' and 'M' – inaccurate information when questioned about payments he made as part of the scam. And at no point did he explain he was purchasing crypto to pay for work.
- Because of this, our Investigator thought further intervention from Revolut would've been similar – and so they wouldn't have been able to uncover the scam.
- There wasn't any realistic chance of recovery.

C disagreed. In short, they've said:

- When Mr M selected 'safe account' as the purpose of payments he was making, Revolut should've placed a blocked and more in-depth questions should've happened. This would've given Revolut the chance to ask open ended questions, to which Mr M would've been forthcoming. As such, Revolut could've uncovered the scam – as there is no reason for a consumer to select 'safe account'.

- At no point did Revolut ask Mr M why he selected 'safe account' if there wasn't anybody telling him his money was unsafe.
- Although Mr M wasn't forthcoming with the payment purpose interventions with other banks, Revolut had the direct opportunity to question him. And the closed questions used by Revolut prevented Mr M from expressing the full situation at hand.
- The onus is on Revolut to identify and prevent the risk of financial harm to their customers.
- Revolut failed to recognise the use of crypto on the account – which was opened for the purpose of the scam, and it received high value credits that were then used for crypto purposes. At no point did Revolut question Mr M about this.
- It isn't fair for Mr M to bear the full liability of his loss considering Revolut's failures.

The matter 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 sorry Mr M has been the victim of a scam. I don't underestimate the impact it has had on him. I therefore understand why he'd do everything he can to try and recover the loss he's suffered. But I need to decide whether Revolut can fairly and reasonably be held responsible for Mr M's loss. And I don't think they can, I'll explain why.

Before I do, I want to reassure Mr M that I've considered everything that C, on his behalf, has submitted in support of his complaint. And so, while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether Revolut is responsible for the loss Mr M has suffered.

In broad terms, the starting position in law is that an Electronic Money Institution (EMI) is expected to process payments that their customer authorises them to make. It isn't disputed that Mr M knowingly made the payments from his account and so, I'm satisfied he authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Revolut are expected to process Mr M's payments, and he is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

The question then arises whether Revolut ought reasonably to have held such suspicions or concerns in relation to Mr M's payments - and if so, what might've been expected from a proportionate intervention at that time. Further to that, where there is an interaction between a customer and an EMI before a high value payment is processed, as there was here, I'd expect the EMI to take reasonable steps to understand the circumstances of that payment.

So, taking all of this into account, I need to decide if Revolut acted fairly and reasonably in their dealings with Mr M when he made the payments. Specifically, whether they should've done more than they did before processing them – and if they had, would that have made a difference. I also need to decide if Revolut could've reasonably recovered the lost funds.

But for me to find it fair and reasonable that Revolut should refund Mr M requires more than

a finding that Revolut ought to have intervened. I would need to find not only that Revolut failed to intervene where they ought reasonably to have done so or in the way they ought to have done - but crucially I'd need to find that but for this failure the subsequent loss would've been avoided.

That latter element concerns causation. A proportionate intervention will not always result in the prevention of a payment. And if I find it more likely than not that such a proportionate intervention by Revolut wouldn't have revealed the payments were part of a fraud or scam, then I couldn't fairly hold them liable for not having prevented them from being made.

Here, Revolut did carry out checks before processing some of the payments. This included asking Mr M for a payment purpose, which prompted further questioning tailored to the purpose he selected – that being “Transfer to a ‘Safe Account’” and “Something Else”. This questioning, and the warnings Revolut provided however, wasn't particularly relevant to Mr M's situation, as he was falling victim a job scam.

There are very few legitimate reasons for selecting 'safe account' as a payment purpose. And so, I think this should've put Revolut on notice that there was an increased likelihood those payments were being made as part of a fraud or scam – particular due to the payments being made for crypto purposes (which carries a known fraud risk). Similarly, 'Something else' as a payment purpose also provides little indication as to the circumstances surrounding it. With this in mind, I think Revolut ought to have questioned Mr M further about the payments before processing them. And while I can see Revolut did refer Mr M to their in-app chat at times to carry out additional checks, I don't think this went far enough. The questioning was mostly closed ended, and it didn't – as C has pointed out – include asking Mr M why he selected the payment purpose(s) he did.

I've therefore thought about what would've likely happened if Revolut had questioned Mr M further, as I would've expected, before processing the payments. And what matters here is what those steps might be expected to have uncovered at the time. When considering this, I've taken into account Mr M's interactions with H and M – where he also made payments as part of the scam. And Mr M didn't disclose the true purpose of the payments he was making with either party. For example, he told them that he was paying a friend that he owed money. He also told M that he had five years trading experience and detailed some of his trading strategies. At no point did Mr M explain to either party that he was making the payments to purchase crypto as part of a job, or that a third party was involved. Further to this, Mr M confirmed to M that he hadn't received any calls requesting him to move this money. And he confirmed to H that he hadn't been told how to answer their questions or to mislead them in anyway about the purpose of the payment.

During these calls, Mr M spoke clearly and confidently. And he didn't, in my view, give any indication of a potential vulnerability. Nor did he give the impression that he had any concerns about the payments he was making.

Because of this, I think Mr M would've acted in a similar manner if questioned further by Revolut. I think it's most likely that Mr M would've continued to conceal the true purpose of the payments he was making and their surrounding circumstances. Consequently, I don't think Revolut could've uncovered the scam and prevented Mr M's loss.

In terms of trying to recover the lost funds, unfortunately, there wasn't any reasonable prospect of this. This is because Mr M had already forwarded the funds he sent to the crypto providers on to the scam. So, there wouldn't have been any funds remaining. And even if there had been, they would've been accessible to Mr M.

I have a great deal of sympathy for Mr M and the loss he's suffered. But it would only be fair

for me to direct Revolut to refund his loss if I thought they were responsible – and I'm not persuaded that this was the case. And so, I'm not going to tell Revolut to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 November 2025.

Daniel O'Dell
Ombudsman