

The complaint

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

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

What happened

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

Mr M fell victim to an investment scam in 2024. He saw an advert for an investment opportunity on social media with a firm I'll refer to as 'S'. Mr M completed their online form and provided his contact details. S contacted him a few days later and told him they could help him invest his money, explaining that he could roughly triple his returns from a £9,000 investment.

Under the belief S was legitimate, Mr M decided to invest. And he made about 60 payments to an investment trading platform totalling nearly £35,000 between 25 November and 19 December 2024 – with about 50 of these transactions made from 17 December 2024 onwards.

Mr M realised he'd been scammed when he was asked to pay fees to withdraw his money. R complained, on Mr M's behalf, to Revolut on 12 March 2025. In short, they said:

- Revolut failed to identify account activity that was indicative of Mr M being a victim of fraud. And had Revolut intervened appropriately, the fraud would've been prevented – as they would've identified the hallmarks of a crypto investment scam.
- Before investing, Mr M checked Google and reviewed the scammers' website. He found the scammers professional and knowledgeable, and he was also provided access to a sophisticated and professional trading portal.
- Revolut should refund Mr M and pay 8% simple interest.

Revolut rejected the complaint. In short, Revolut said:

- They had been unable to recover the funds lost.
- They detected the payments were being made to a new beneficiary and displayed the following message:

“Do you know and trust this payee? If you're unsure, don't pay them, as we may not be able to help you get your money back”

As Mr M acknowledged this warning, he was free to continue with the transaction.

- They detected a potential concern with this transaction, so they put it on hold while they asked Mr M about it. They provided scam awareness information based on his responses, and he confirmed he understood the risks of making the payments and confirmed he wished to proceed.

- In addition to system-based fraud protection, they also inform customers about scams and prevention tips through emails and blogs – and provide updates on their fraud and scam hub.
- They weren't at fault for processing the transactions that Mr M authorised in the form and procedure agreed in the terms and conditions for giving consent to execute payments from his account.
- They're not liable for these transactions, they treated Mr M fairly and they fulfilled their duty to protect him by providing sufficient warnings, trying to recover his funds and as they didn't have reasonable ground to believe the transactions were suspicious.

Mr M's complaint was referred to the Financial Ombudsman. Our Investigator didn't think Revolut had to do anything further. She didn't think Mr M had evidenced his loss to the scam. But even if it was evidenced, she didn't consider Revolut would be responsible for it.

Our Investigator explained that, while Revolut ought to have done more than their automated checks before processing the payments, she didn't think a human intervention would've made a difference. This was because Mr M had provided inaccurate information to Revolut as part of their automated questionnaires. Further to this, Mr M misled his other banking provider ('L'), where most of the funds originated from, telling them that he was sending the funds to Revolut for wedding expenses. And he also ignored an investment scam warning from L that was relevant to his situation. So, even if Revolut had contacted Mr M to discuss the payments, she thought Mr M would've likely maintained the same cover story – thereby preventing Revolut from uncovering the scam. Our Investigator also didn't think Revolut could've done anything to recover Mr M's funds.

R disagreed. In short, they've said:

- There is sufficient evidence of Mr M's loss, even in the absence of the statements for the trading platform account. The outgoing payments from Mr M's Revolut account constitute the actual point of loss as he didn't have access to the trading account.
- Revolut should've carried out a human intervention at the point of the 13th payment, due to the combination of its characteristics and the surrounding context.
- Revolut's questionnaire was disproportionate and ineffective, with a human intervention needed.
- An intervention by Revolut wouldn't have unfolded the same way as L's intervention. This is because Revolut would've known the payments were being made internationally to an investment trading platform. So, the cover story given to L – that being wedding expenses – would've been implausible. And multiple payments made in quick succession aren't typical for wedding related expenses, as they're usually settled in lump sums or directly with known vendors. There is therefore no reason why the payments would've needed to be routed internationally via another account.
- If Revolut would've requested proof of the claimed wedding expenses the scam would've been exposed immediately – as Mr M didn't have access to such documents.
- A proper intervention would've required a detailed conversation, documentary evidence and explicit warnings about investment scams. And the basic cover story provided could not reasonably have been relied upon.
- It is crucial to recognise that the presence of coaching doesn't make an intervention futile by default. There was no deep deception to uncover.

Our Investigator considered R's additional points, but her position remained the same. She said there wasn't anything to show the transactions were made to a crypto provider, only that they were international transfers in Mr M's name. But while Revolut did ask Mr M whether the transactions were for investment purposes, he confirmed they weren't. So, she didn't

think Revolut should've questioned this further. And even Mr M was questioned about the transactions he was making, she wasn't persuaded that he would've told Revolut he was investing his funds as he was being coached by S.

R still disagreed with our Investigator. They said the trading platform is fake and has been used by fraudsters for years. And Mr M couldn't have provided anything meaningful about it. Consequently, the payments made were clear and irretrievable losses from the outset.

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 that Mr M has been the victim of an investment scam. But I must consider whether Revolut is responsible for the loss he claims to have suffered. At which point, I understand that R has explained S set up the trading platform account. So, he is unable to provide the statements for the trading account. Because of this, I cannot be certain what happened to the funds after they left Mr M's account. Regardless of this though, even if I were to accept Mr M has suffered the alleged losses, for similar reasons as our Investigator, I don't think Revolut would be responsible for it. Because of this, I don't think Revolut acted unfairly by not refunding the payments. I'll explain why.

Before I do, I want to reassure Mr M that I've considered everything R 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 Mr M's loss.

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 authorised the payments from his Revolut account. Therefore, under the Payment Services Regulations 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.

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.

Here, Revolut did carry out additional checks – in the form of automated questionnaires - before processing about 50 of the transactions. But while the transactions were individually low in value (mostly about £600), I think their collective value and the frequency at which they were being made to the same beneficiary (albeit Mr M) ought to have put Revolut on notice that Mr M could be at a heightened risk of financial harm fraud. And so, I think a proportionate response to that risk would've been for Revolut to have attempted to establish the circumstances surrounding the payments before allowing them to debit Mr M's account. I think they should have done this by, for example, directing Mr M to their in-app chat to discuss the payments further.

I've thought about what would've happened if Revolut had done this. Having done so, on balance, I'm not persuaded Revolut would've uncovered the scam or deterred Mr M from making the payments. This is because:

- Considering Mr M's interactions with both Revolut and L, I consider that he was heavily under S's influence. This is demonstrated by Mr M confirming to Revolut, as part of their automated questionnaires, that:
 - He wasn't making the payments for investment purposes. Instead, he was transferring money to his other account held at another bank.
 - He understood that if he was being pressurised to hide any details about the payments, then he could be being scammed.
 - He was completing the payments by himself. This was despite Revolut explaining that if anyone was pressuring him to make them, or being told what to say, it might be a scam.
 - The funds were going to an account he controlled. Whereas Mr M has since confirmed he didn't have access to the account as it was set up by S.

And as Mr M also:

- Similarly provided L misleading and incorrect information regarding the funds he was transferring to his Revolut account – saying that it was for wedding expenses, and that nobody had told him to make the payments or lie to his bank.
- Proceeded to make the payments from L despite receiving a scam warning that was specifically relevant to his situation:

“we see a lot of our customers who are contacted by scammers pretending to be investors. Sometimes they'll say they're brokers or financial advisors. They will usually ask our customers to move money into a separate account that they can invest from and then usually from there it would go to you know, crypto trading platforms or other investment platforms that our customers don't control. But they will always say that you cannot speak to us about this over the phone because it would, we would not approve of the investment. So, has anybody asked you to pay this to fund any investment or money-making opportunity?”

- Although Revolut asked Mr M whether the payments were for investment purposes, I'm not persuaded that they were identifiable as such. Instead, I think Revolut would've only known from the payment details that Mr M was making them internationally. And that Mr M had put his own name as the beneficiary.
- I can't be sure whether Mr M would've provided the same story to Revolut that he provided to L. I accept that if he attempted to, then Revolut ought reasonably to have questioned the plausibility of it given the volume of the payments Mr M was making. But given the level of influence S had over Mr M, I think it's most likely that if Revolut had questioned him about the payments (via their in-app chat) then he would've sought their guidance on how to respond. This is because Mr M followed S's instructions on how to respond to L (and to the extent whereby he was able to circumvent fraud prevention checks carried out over a telephone conversation). And I think S would've been able to provide the necessary guidance to Mr M to allow him to reassure Revolut that he was making the payments for legitimate purposes – whether investment or otherwise.
- I similarly consider that Mr M would've maintained that he was making the payments on his own (with nobody telling him to make them), and that he hadn't been told to lie to Revolut or give different reasons for why he was making the payments.
- Because of this, I think it's likely that Revolut would've been reassured by Mr M's

responses to further questioning. And so, I'm not persuaded it would've been appropriate for Revolut to have sought documentary evidence or proof for the payments he was making. Nor would I ordinarily reasonably expect that in this type of situation.

- Even if Revolut had placed blocks on Mr M's account, then I consider S would've likely guided him to make the payments by a different method – whether using an alternative existing account or setting up a new one with another provider. So, I think the payments would've most likely been made regardless of any intervention carried out by Revolut.

It follows that while I consider Revolut ought to have done more before processing Mr M's payments, I don't think they're responsible his loss.

I've considered whether, on being alerted to the scam, Revolut could've done anything to recover Mr M's losses, but I don't think they could. Revolut attempted to contact the beneficiary bank for most of the disputed transactions, which is all they could do in the circumstances, but they didn't respond. And, in any event, as these transactions were made internationally by push to card, there wasn't a clear mechanism for a successful recall to take place. Furthermore, Mr M reported the scam to Revolut a week later. So, it's very unlikely that any funds would've been left to recover. I therefore don't think there was any realistic prospect of recovery.

I know Mr M will be disappointed by this outcome. 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 is the case. For the above reasons, I think Revolut has acted fairly and so I'm not going to tell them 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 11 December 2025.

Daniel O'Dell
Ombudsman