

The complaint

Mr S is unhappy that Revolut Ltd haven't refunded money he lost as a result of a scam.

Mr S is being represented by a legal representative but, for ease of reading, I'll only refer to Mr S in the decision.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In late 2022 Mr S decided to start investing with a merchant he believed was a legitimate company. Mr S was recommended to the merchant from friends and contacts who he had previously invested with. In total he sent two payments (\$100 on 16 October 2022 followed by \$50,000 on 18 October 2022) to another bank at the direction of the merchant. Mr S realised he had been scammed in March 2023 when he was told that the scam merchant had closed and transferred his funds to another merchant who he was subsequently unable to withdraw his money from. So, he raised a claim to Revolut in October 2024. Revolut reviewed the claim but didn't offer Mr S a refund because it said it didn't do anything wrong. Unhappy with that response Mr S brought his complaint to this service.

Our Investigator didn't think the complaint should be upheld. He said that Mr S had made larger transfers from his Revolut account before but even if Revolut had stopped the second larger transfer Mr S made here (£50,000) Revolut would unlikely have uncovered the scam.

Mr S disagreed and asked for an Ombudsman's review. He said Revolut failed to prevent the scam and missed crucial opportunities to engage Mr S more effectively and if it had done so the scam would've been uncovered.

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've reached the same conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Mr S has been the victim of a cruel scam. I know he feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I have to make my decision on the balance of probabilities – that is, what I consider is more likely than

not to have happened in the light of the available evidence and the wider surrounding circumstances.

It is common ground that Mr S authorised the scam payments totalling around \$50,100. I accept that these were authorised payments even though Mr S was the victim of a scam. So, although it wasn't his intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of his account, Mr S is presumed liable for the loss in the first instance.

However, taking into account the law, 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 in order to help protect customers from the possibility of financial harm from fraud.

Revolut didn't stop and speak to Mr S when he made any of the payments here. It only provided a warning about setting up a new beneficiary when Mr S made a \$100 payment. So, I need to consider whether Revolut should've found the payments he made towards this scam unusual and suspicious.

To do so, I've considered the previous account activity on Mr S's account. When Mr S opened his Revolut account he declared 'transfers' as his purpose for opening the account. And I note that sending larger payments wasn't uncommon for him. According to Mr S's statements he sent €22,750 on 11 April 2022 after exchanging £17,500 into Euros the same day. And he exchanged GBP into \$50,000 and then exchanging AED into \$144,000 on 29 April 2022. He then sent \$100,000 to an investment company that same day. And I note he exchanged \$10,000 on 28 October 2022 before sending himself £35,000 on the same day. There are also other examples of large payments in the previous twelve months before the scam payments. So, it wasn't uncommon for him to both exchange and then send large amounts from his account from time to time in line with the account opening purpose he provided to Revolut. As a result, although the second payment he made towards this scam was a large payment, I don't think there was enough happening on the account that should've reasonably alerted Revolut to the possibility that these were fraudulent payments.

As a result, I don't think Revolut would've have found the amounts Mr S was sending and the pattern of spending to have been sufficiently unusual and suspicious at the time the payments were made. And because I don't think Revolut acted unreasonably here by not intervening on the \$50,000 payment, I can't fairly say it missed an opportunity to stop this scam.

Even if I was satisfied the second payment was reasonably suspicious here (to be clear I'm not), like the Investigator I don't think Revolut would've uncovered the scam. That's because Mr S was investing with the scam merchant as a result of advice from friends and contacts he had invested with before. He wasn't contacted out of the blue on social media or even looking for an investment online. He wasn't investing in high-risk crypto – instead he was told the investment would be in Gold, forex and leveraged Gold-US Dollar pairs. He was told the investment would be visible on a genuine trading platform which the scammer used. Mr S said this added a sense of security and legitimacy to the investment. So, even if Revolut had asked Mr S some probing questions about the investment, I think he would've explained how he had come to make the investment, and he would've assured Revolut with his answers that this was what appeared to be a genuine investment. Revolut also would've seen that he had invested large amounts of money before (one of those doesn't appear to be regulated by the Financial Conduct Authority either) which Mr S would've more than likely said that was where the recommendation had come from.

I appreciate this will likely come as a disappointment to Mr S, and I'm sorry to hear of the situation he's found himself in. However, in the circumstances of this complaint, I don't consider it would be fair and reasonable to hold Revolut responsible for his loss. Sadly, he was victim to a well-orchestrated scam.

Recovery

When Revolut was made aware of the scam it attempted to recover the money but because the receiving account had been closed there were no funds available.

As a result of the above, I'm not going to ask Revolut to do anything more here.

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 Mr S to accept or reject my decision before 12 December 2025.

Mark Dobson
Ombudsman