

The complaint

Mr T complains that Revolut Ltd (Revolut, hereinafter) hasn't refunded the losses he's incurred when falling victim to an investment scam.

What happened

Mr T found the scam via a social media platform in the summer of 2024. It was advertised as being endorsed by a high-profile politician, which caught Mr T's attention.

Mr T expressed his interest and was later contacted by the scammer, who introduced him to a fake online investment platform and persuaded him to open an account with Revolut to make the payments.

Mr T also made payments to the scam from other two bank accounts in his name with firms that I'll refer to as M and L. He received some returns in the early stages of the scam, which were paid into Mr T's account with L.

The scammer directed Mr T to send the payments via a genuine overseas travel agency that I'll refer to as S.

From his Revolut account Mr T made the following payments (the returns or credits into the account are highlighted in bold):

Date	Time	Amount	Type of transaction
12 September 2024	07:04	+£5,000	Credit from Mr T's account with L
12 September 2024	07:59	+£5,000	Credit from Mr T's account with L
13 September 2024	07:31	+£5,000	Credit from Mr T's account with L
16 September 2024	13:14	£5,050	(DECLINED) Debit card payment to S
16 September 2024	13:15	£5,050	Debit card payment to S
16 September 2024	18:11	£5,025	Debit card payment to S
16 September 2024	18:25	£4,900	Debit card payment to S
7 October 2024	13:34	+£7,630	Credit from Mr T's account with L
7 October 2024	13:52	£4,630	(DECLINED) Debit card payment to S
7 October 2024	13:52	£4,630	(DECLINED) Debit card payment to S
7 October 2024	13:58	£4,630	(DECLINED) Debit card payment to S
7 October 2024	13:58	£4,630	(DECLINED) Debit card payment to S
7 October 2024	15:33	£7,630	Faster Payment to Mr T's account with L

Mr T realised he had fallen victim to a scam when he was asked to pay a very high fee to withdraw his returns from the scam investment platform, and when the scammer stopped replying to his messages.

Mr T made a complaint to Revolut about what happened on 28 February 2025.

Revolut said it raised chargeback claims for all the disputed transactions, but they were unsuccessful as they were brought out of time. It said it questioned Mr T appropriately at the time it identified that he may be at risk of falling victim to a scam and it blocked the merchant for all future payments as a consequence of that interaction. So, it thinks it's done enough to protect Mr T and declined to refund his losses.

So, Mr T referred the complaint to the Financial Ombudsman Service.

Our Investigator found that Revolut should have intervened when Mr T made the second card payment on 16 September 2024. However, they said that intervention was unlikely to prevent Mr T's scam losses as Mr T was untruthful in later interactions with Revolut, showing he was coached and too deep under the spell of the scammer to stop making payments.

Mr T and his representatives disagreed with our Investigator's view on the basis that Revolut should have intervened from the first payment by asking open ended questions, which would have allowed Mr T to explain what he was paying for. Mr T disagreed that he would have misled Revolut about the payment reasons. This level of intervention would have been proportionate given that Mr T had just opened the account with Revolut, he was an elderly consumer, and was making payments towards a cryptocurrency investment.

In light of this disagreement, I have been asked to review everything afresh and reach a decision on the matter.

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 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 focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. 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.

Where the evidence is incomplete, inconclusive, or contradictory, I must 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.

Should Revolut have intervened on the scam payments?

I don't doubt Mr T has been the victim of a scam here – he has lost a large sum of money and has my sympathy for this. However, just because a scam has occurred, it does not mean Mr T is automatically entitled to recompense by Revolut. It would only be fair for me to tell Revolut to reimburse Mr T for his loss (or a proportion of it) if:

- I thought Revolut reasonably ought to have prevented all (or some of) the payments Mr T made, or
- Revolut hindered the recovery of the payments Mr T made

whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Revolut treated Mr T fairly and reasonably in its dealings with him, when he made the payments and when he reported the scam, or whether it should have done more than it did.

Having done so, I've decided to not uphold Mr T's complaint. I know this will come as a disappointment to Mr T and so I will explain below why I've reached the decision I have.

I have kept in mind that Mr T made the payments himself, and the starting position is that Revolut should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) he is presumed liable for the loss in the first instance.

I appreciate that Mr T did not intend for his money to ultimately go to fraudsters and was deceived into doing so – but he did authorise these payments to take place. However, there are some situations when a bank 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 make 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.

So, I've thought about whether the transactions should have highlighted to Revolut that Mr T might be at a heightened risk of financial harm due to fraud or a scam.

Mr T's representatives have argued that Revolut should have intervened on the first payment, however I'm mindful Revolut didn't have any historic information about the account or what Mr T's typical usage was like. So, it wasn't in a position to know whether Mr T's activity was unusual or out of character – as it had nothing to compare it against. I also disagree that Revolut should have identified a risk in the merchant, as the payment wasn't going to an identifiable cryptocurrency provider, but an established online travel agent.

Moreover, I haven't found the speed at which the account was credited before the payments were made was suspicious, as the three top ups were made a few days before the scam payments. So, I don't think the first payment should have alerted Revolut that Mr T was at higher risk of suffering from financial harm from fraud or a scam.

All that being said, I believe that by the time of the £5,025 payment, Revolut ought to have intervened. I say this because of the value of the individual payment and its combined value with the first payment; the fact it was sent to the same merchant only a few hours after the

previous one; and because there was a failed payment attempt just before the first payment was made. I think these factors, taken together, ought to have alerted Revolut as to the potential risk of scams or fraud, by the time this payment was being made.

Revolut shouldn't have processed that payment without first taking steps to warn Mr T about the risk of scams. In the individual circumstances of this case, I would have expected Revolut to have intervened, and a proportionate intervention would have been to provide a tailored online warning, based on the reason given for the payment.

Would Revolut's intervention have made a difference?

The question for me to answer next is whether, on the balance of probabilities, Revolut would have been able to prevent Mr T's further losses, had it intervened at that stage of the scam.

I've considered that point carefully and I'm not persuaded it would have been. We don't unfortunately have transcripts of Mr T's chats with the scammer to determine the level of coaching he was subjected to during the scam, and whether he was told to give a cover story for his payments.

So, I've based myself on the evidence available to me to decide what would have most likely happened if Revolut had intervened earlier in the scam.

Revolut blocked the payment Mr T was making to S on 7 October 2024 and asked him to confirm why he was making it. Before doing so, Revolut warned Mr T against the consequences of being untruthful when answering its questionnaire, that Mr T acknowledged. Mr T was also asked to confirm if he was being aided in making the payment and said he was acting alone and no one was telling him what to do.

Mr T proceeded to select that he was buying or renting goods or services, even though he had the option to select that the payment was part of an investment. He then said he was paying for something from an online retailer or marketplace, that it was averagely priced, that he knew the seller, and had seen the item in person. As the payment was going to a genuine travel agent and Mr T didn't say it was part of an investment, I don't think that his responses to the questionnaire should have highlighted or put Revolut on notice that Mr T was at a heightened risk of falling victim to a scam.

Mr T's representatives have argued that, as there was already a negative review against S on a reliable online platform before Mr T's payments, if Revolut had picked up on it, the scam would have been unveiled. But I don't think, based on what Mr T selected in the questionnaire, that Revolut had any reason to conduct any in-depth research on S at any point during the scam payments. In any event, even if it had, there were numerous genuine positive reviews about S online which would have reassured Revolut Mr T was paying a genuine merchant.

Mr T's representatives rejected our Investigator's finding that Mr T was too deep under the scammer's spell to answer honestly to Revolut's questions. They added that there isn't enough evidence of coaching to come to the conclusion no intervention would have made a difference. But they do accept that Mr T was told by the scammer that banks wouldn't allow cryptocurrency-related transactions and that they were generally averse to customers making such payments.

Mr T's representatives have pointed to the FCA's Consumer Duty that came into force on 31 July 2023 and puts an obligation on firms to avoid foreseeable harm to customers. The Consumer Duty Finalised Guidance FG22/5 (Paragraph 5.23) gives an example of

foreseeable harm: “consumers becoming victims to scams relating to their financial products for example, due to a firm’s inadequate systems to detect/prevent scams or inadequate processes to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers”. But here, I found that the loss was not caused by the inadequacy of Revolut’s systems, but rather by the choice Dr T made not to disclose the correct purpose of his payment.

So, I think that, independently of whether he was heavily coached to give a cover story or if he came up with his responses to the questionnaire alone, Mr T was intent on keeping the true reason of his payments hidden from Revolut and would have continued to disguise it for as long as he could. And because S couldn’t be strongly associated with cryptocurrency investments at that time, I don’t think Revolut would have been able to identify that Mr T was providing inaccurate information in his responses.

Even if Revolut had stopped Mr T from making the scam payments from its facilities, I’m satisfied that, more likely than not, Mr T would have found other ways to send funds to the scammer. This is proven by the fact that, after Revolut’s intervention of 7 October 2024 led to Mr T’s card payments to S being declined, Mr T continued to make payments to the scammer from his account with M until December 2024.

Finally, Mr T has also argued that he was vulnerable to the scam, due to his age. Whilst I note Mr T’s comments, and from what he’s said I understand this was a very difficult time for him, the evidence I’ve seen doesn’t suggest that Revolut had been notified of any vulnerabilities or needs such that it should have known to take additional steps to protect Mr T as he was making the payments.

Overall, based on all of the above, I believe Revolut wouldn’t have been able to prevent Mr T’s losses, even if it had intervened earlier in the scam.

Recovery

Because the scam payments were made via debit card, the only potential avenue for recovery would have been via a chargeback claim.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders.

Revolut is bound by the card scheme provider’s chargeback rules, Visa in this instance. Whilst there is no ‘right’ to a chargeback, I generally consider it to be good practice that a chargeback be raised if there is a reasonable chance of it succeeding. But a chargeback can only be made within the scheme rules, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid, and potentially succeed.

I can see Revolut did raise a chargeback for Mr T, but it unfortunately failed. This is because Mr T reported the scam payments to Revolut after the timeframes for raising a chargeback claim had already expired.

So, I don’t think Revolut could have done more to attempt to recover Mr T’s funds in this instance.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 January 2026.

Daria Ermini
Ombudsman