

The complaint

X complains that Revolut Ltd won't refund money he lost when he fell victim to a scam.

A representative who I will call "W" complains on behalf of X, however for ease, I will refer to X throughout.

What happened

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

In 2023 X fell victim to a scam when he sent money to what he believed to be a legitimate investment. Between September and October 2023, he made multiple payments to what turned out to be a scam.

X realised he'd been scammed when he was told he would need to pay to make withdrawals, and when he could no longer be able to access his investment platform.

He complained to Revolut who said they weren't able to process a chargeback in order to try and retrieve the funds.

X brought his complaint to our service. Our Investigator was of the opinion that he didn't have sufficient evidence to show the funds were definitely lost to the scammer. As he couldn't verify the losses, our investigator wasn't able to say that Revolut should reimburse anything.

X didn't accept our Investigator's view and so the complaint was passed to me. I looked at everything and found that while we didn't have anything concrete to show the funds were definitely sent to the scammer's wallet, it seemed more likely than not that it had happened, given the conversations that took place between X and the scammer.

However, I also came to the conclusion that even if we could show the funds were definitely lost to the scammer, any intervention by Revolut wouldn't have uncovered the scam as X was being coached by the scammer.

X disagreed with my informal findings and asked for a formal decision. I therefore shared my informal thoughts with Revolut and will set out my formal decision below.

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 very 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 focussed 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 haven't. 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.

Having considered everything, I have decided not to uphold this complaint. I know this will come as a disappointment to X, so I will explain why I have reached my decision.

It is clear in this case that X has lost a lot of money. And while I do empathise with him, this doesn't automatically entitle him to a refund from Revolut. It would only be fair for me to tell Revolut to reimburse X if I thought they reasonably ought to have prevented the payments, or they unreasonably hindered any recovery of the funds.

Under the Payment Services Regulations (PSRs) and the terms of the account, X is presumed liable for any loss in the first instance, in circumstances where he authorises a payment. That said, in line with good industry practice, Revolut should take proactive steps to identify and help prevent transactions that appear sufficiently unusual, uncharacteristic or suspicious that could involve fraud or be the result of a scam.

However, it is important to note that there are many payments made by customers each day and so it wouldn't be realistic or reasonable to expect a bank to stop and check every payment. There is a balance to be struck between identifying payments that could potentially be fraudulent and minimising any disruption to genuine and legitimate payments.

Here, the initial disputed payments were relatively low in value and so I wouldn't have expected them to flag on Revolut's systems for further checks, as they were not of an amount or made in such a frequency that I would have expected them to flag up as suspicious.

However, I do think Revolut could have intervened on the payment for €5,145.00. This payment was larger than the others and clearly going to a cryptocurrency platform. Revolut would have known by October 2023 that payments such as this one would carry a higher risk.

Had Revolut intervened on the payment mentioned, I would have expected them to provide a tailored warning. Doing so wouldn't have required them to search the company online for any warnings, and so I don't think they would have found it.

However, when thinking about whether any intervention from Revolut would have made a difference, I don't think it would have done and will explain why.

I have read the conversations held between X and the scammer, and it is clear that X trusted the scammer and followed their guidance all the way through. He was heavily reliant on the scammer trading for him, told him his trust in him was 100%, and was willing to borrow money in order to make payments towards the platform. He also wanted to refer others to the opportunity.

Because of the level of trust X had in the scammer, I don't think any automated warning would have been able to uncover the scam. X said that he had researched the platform before beginning to invest and so was satisfied it was genuine, he could also see his profit growing, and he was clearly heavily under the scammer's spell.

Overall, I haven't seen anything for me to suggest that any intervention from Revolut would have stopped X from making the payments to the scammer, as he was so heavily under their influence. And so, I won't be asking them to reimburse the funds lost.

Recovery

I also need to consider whether Revolut did enough after being advised of the scam, to try and recover the funds.

The chargeback process is relevant here, as X made the payments by card. The chargeback scheme is a voluntary agreement between card providers and card issuers who set the scheme rules and is not enforced by law.

A chargeback isn't guaranteed to result in a refund, there needs to be a right to a chargeback under the scheme rules and under those rules the merchant or merchant

acquirer can defend a chargeback if it doesn't agree with the request. Unfortunately, the time that had passed between the payments being made and the chargeback being raised meant recovery of the funds wasn't possible. The funds were also sent to purchase cryptocurrency and therefore a chargeback would have failed as the service paid for was provided.

Overall, while I strongly empathise with X and what he has been through, I don't think Revolut are responsible for the losses he has suffered. So, while I know this will come as a disappointment, I don't think Revolut have acted unfairly by not refunding him.

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 X to accept or reject my decision before 1 January 2026.

Danielle Padden
Ombudsman