

The complaint

Mr J has complained that Revolut Ltd won't refund money he lost to a scam.

What happened

The details of the complaint are well known to both parties, so I will not repeat them again here. Instead, I will focus on giving the reasons for my decision.

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 agree with the investigator's findings for broadly the same reasons. I will explain why. But before I do so, I want to highlight that I am considering the actions of Revolut in its capacity as a regulated EMI, and whether it ought to have done more to protect Mr J against the alleged scam whilst carrying out the payment service activities which are in jurisdiction.

In broad terms, the starting position in law is that an EMI is expected to process payments that their customer authorises them to make. It isn't disputed that Mr J authorised the payments from his Revolut account. Therefore, under the Payment Services Regulations and the terms of her account, Revolut is expected to process Mr J's requests, and he is presumed liable for the loss in the first instance.

But, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in August 2025 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including 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 firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

I'm satisfied it wouldn't be reasonable to expect Revolut's systems to have been triggered by the payment in dispute. The payments being disputed here were, individually, of a relatively

low value and are in line with Mr J's expenditure on the account prior to the scam payment. Because of this, I don't think the individual value of the payments would've been seen by Revolut as being unusual or out of character.

I have also taken into consideration that it was a new payee on the account and the payments were being sent to a cryptocurrency provider. The use of a new payee is not a clear risk indicator on its own. Account must be taken of what else is happening. For instance, the first payment value is relatively low. And so, the transaction doesn't look unusual in isolation.

I do accept that cryptocurrency investment scams were established by August 2025. While crypto providers are sometimes used for this purpose, they're also used by many individuals.

to invest in crypto legitimately. And I can see that Mr J's history of making cryptocurrency exchanges previously. Because of this, I wouldn't necessarily have expected Revolut to have carried out additional checks before processing the payments simply because they were going to a crypto merchant. But rather, I would expect them to take steps to protect customers that are proportionate to the identifiable risk. I have to bear in mind that if EMI's such as Revolut were to be expected to intervene with every transaction similar to the ones being disputed here - it could risk grinding the banking system to a halt.

It follows that, while there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment, for the above reasons, I think at that time it was reasonable for Revolut to assume the payments were being made for legitimate purposes.

Recovery of funds

I've also thought about whether Revolut could have done more to recover the funds once it became aware of the situation, as in some circumstances the money can be recovered. In respect of the losses suffered through the transferring of cryptocurrency, it is not within the jurisdiction of our service to consider Revolut's efforts in respect of this matter (as it is an unregulated activity) and so I am unable to scrutinise their actions in this respect.

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 J to accept or reject my decision before 20 February 2026.

Jade Rowe
Ombudsman