

## **The complaint**

Mr I has complained Revolut Ltd won't refund several payments he says he made and lost to a scam.

## **What happened**

The background to this complaint is well known to both parties, so I won't repeat it in detail here. In summary, Mr I fell victim to a recovery scam and lost £33,000 after he went to a webinar in July 2024 and came across the scammer. Mr I believed the scammer to be a trustworthy and knowledgeable professional, who was personally endorsed to him by two others: a business acquaintance of his own and also a friend of the scammer. Mr I was expecting, in exchange for payment, for the scammer to recover funds previously taken from him. However, when the scammer eventually stopped communicating with Mr I he realised he had been scammed.

Mr I subsequently enlisted support from a professional representative and Revolut considered the scam claim. However, Revolut did not compensate him for his losses and maintained it had sufficiently intervened to try and protect him. Mr I disagreed and referred the complaint to us.

Our Investigator reviewed Mr I's complaint but agreed that Revolut had acted reasonably in this instance. She found that reasonable interventions did occur, but since Mr I did not select the correct options during them that it prevented Revolut being able to give him the most appropriate warnings / uncover the scam. Mr I disagreed and requested a decision.

As the complaint could not be resolved informally it has been passed to me to issue a final 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.

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 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'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.

I don't doubt Mr I 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 I is automatically entitled to recompense by Revolut. It would only be fair for me to tell Revolut to reimburse Mr I for his loss (or a proportion of it) if: I thought Revolut reasonably ought to have prevented all (or some of) the payments Mr I made, or Revolut hindered the

recovery of the payments Mr I 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 I 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 I's complaint. I know this will come as a disappointment to Mr I and so I will explain below why I've reached the decision I have.

I have kept in mind that Mr I 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 I did not intend for his money to ultimately go to a scammer, but he did authorise these payments to take place. However, there are some situations when an electronic money institution (EMI) 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 I might be at a heightened risk of financial harm due to fraud or a scam.

I do think that Revolut ought to have been concerned when Mr I made his second payment in August 2024 for £20,000. This was a large sum of money to be leaving his account to a new beneficiary – with the only other payment having ever been made to them of £1.00. Therefore, I would have expected it to have intervened with some automated questions and then giving a tailored warning. This is what I can see did occur by Revolut as I will explain below.

Revolut, before Mr I's £20,000 left his account, required him to first answer some questions. Initially, Mr I had to confirm that he would answer these questions honestly. He was then asked whether anyone was pressuring him or saying he needed to act quickly as it may be a scam. However, Mr I selected the option that he was not being pressured and was completing the transaction alone. Mr I was then shown a pop-up window which said to '*Only continue if you're sure nobody is pressuring you to make this payment*'. Mr I has specifically said that he had a very short deadline in which to make the payment for the scammer to help him recover the funds – and was ultimately being pressured into sending these funds within

a short timeframe. Mr I was then asked to select why he was making the transfer – to which he selected *'I'm paying a family member or friend'*. As the scammer was not a family member/friend this too was inaccurate of Mr I to have selected. Ultimately, because of the options selected by Mr I he was shown warnings far less targeted to the scam he was falling victim to, which meant it would have resonated with him less compared with a warning more targeted to a scam like his. But for Mr I misleading Revolut with his answers, it may well have been available to prevent the losses he unfortunately suffered.

I have kept in mind that Mr I was following the advice of the scammer, who he was speaking with via the telephone at the time. Mr I confirms that he had no reason to doubt the legitimacy of the scammer and that's why he followed the instructions. I do appreciate it was this level of trust in the scammer which caused Mr I to mislead Revolut. The fact two others had endorsed the scammer, one of which was one of his own acquaintances, would have added to his belief in what he was being told as well. This all evidences the level of influence the scammer had over Mr I. Therefore, I cannot fairly hold Revolut responsible for Mr I's decision to mislead Revolut considering it did take reasonable steps to protect him.

Revolut did also intervene in the final payment Mr I attempted and he chose not to proceed - informing Revolut he was cancelling it because '[t]he process is too complicated'. He did not do so because of reaching the realisation he was falling victim to a scam – it appears he then made the payment via another of his accounts instead. Consequently, with all the above in mind, I'm not persuaded that any intervention would have made any difference as Mr I was clearly under the scammer's influence.

I am sorry to hear about the vulnerable situation Mr I says he was in at the time of the scam and how the alleged scammers may well have used this to apply additional pressure. The repercussions such a cruel scam has had on Mr I are not something I have overlooked when reaching my decision. However, I have not seen a pattern emerge that would have highlighted to Revolut that Mr I was in such a vulnerable position - or that a vulnerability may have been impairing his decision-making during this scam. I am empathetic towards him, but I do not consider Mr I's situation, in isolation of any other clear indicators of a potential risk of financial harm, to be something that should have triggered further red flags for Revolut.

I've noted Mr I has referenced decisions that he believes are close to his circumstances. However, we consider each case on its own individual merits and although he believes the circumstances of other decisions seem to be similar, there are key differences.

Consequently, although I'm very sorry to disappoint Mr I, it wouldn't be reasonable for me to ask Revolut to refund the payments he made as I do not think it acted incorrectly here.

### Recovery

I have gone on to consider if Revolut took reasonable steps to try and recover the funds. Due to the time that had passed between Mr I making Revolut aware of the scam in comparison with the payments having been made, I do not think it likely Revolut could have done anything differently which would have led to any funds being recovered. Scammers will generally move funds away from the original account in order to prevent the recovery of funds.

Therefore, I won't be asking Revolut to do anything further.

### **My final decision**

My final decision is I do not uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 28 January 2026.

Lawrence Keath  
**Ombudsman**