

## The complaint

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

## What happened

Miss J found the investment opportunity whilst reading an online news article around March 2023. The opportunity was advertised as being endorsed by various TV personalities, which caught Miss J's attention. Unbeknown to her, this was sadly a scam.

Miss J expressed her interest and was later contacted by the scammer who introduced themselves as her account manager. The scammer used remote access software to set up Miss J on their fake online investment platform and persuaded her to open an account with Revolut to make the payments.

Whilst the investment scam was happening, Miss J also fell victim to another romance scam, that was allegedly separate from the investment scam. Over time, the investment scam also turned into a romance scam, with Miss J developing a romantic relationship with the scammer impersonating her account manager. The payments Miss J made from Revolut exclusively relate to the investment-turned-romance scam.

Miss J funded the scam from her lifetime savings that she held with another bank I'll refer to as L. She didn't receive any returns from the scam.

The scammer persuaded Miss J to make payments to two overseas accounts. From her Revolut account Miss J made the following payments to the scammer:

Payment	Date	Description	Amount
1	12/05/2023	International transfer to overseas account 1	€1,340.00
2	19/05/2023	International transfer to overseas account 2	€12,700.28
3	19/05/2023	International transfer to overseas account 2	€23,018.00
4	22/05/2023	International transfer to overseas account 2	€32,150.00
5	23/05/2023	International transfer to overseas account 2	€28,730.00
6	27/05/2023	International transfer to overseas account 2	€23,020.00
7	29/05/2023	International transfer to overseas account 2	€28,840.00
8	30/05/2023	International transfer to overseas account 2	€23,150.00
9	06/06/2023	International transfer to overseas account 2	€40,670.00
10	07/06/2023	International transfer to overseas account 2	€17,500.00

Miss J realised she had fallen victim to a scam when she accessed the scam investment platform to find out her account balance had been wiped out, and the scammer stopped replying to her.

Miss J reported the scam to Revolut on 5 September 2023.

Revolut said it tried to recover Miss J's funds but was unsuccessful. It said it questioned Miss J appropriately at the time it identified that she may be at risk of falling victim to a scam but sadly it wasn't able to protect her as she gave misleading answers during its interventions. Revolut said Miss J was grossly negligent in falling victim to the scam, so, it thinks it couldn't have prevented Miss J's losses and declined to refund her.

So, Miss J referred the complaint to the Financial Ombudsman Service.

Our Investigator found that Revolut's interventions were not proportionate to the risks identified and human intervention was required to probe Miss J further and potentially unveil the scam. However, they said that intervention was unlikely to prevent Miss J's losses as L had intervened on her inter-account transfers to Revolut and told Miss J plainly that she was being scammed, but Miss J refused to accept that and continued to make payments to the scam thereafter. They also said further interventions wouldn't have made a difference because Miss J was untruthful in her interactions with Revolut, showing she was too deep under the spell of the scammer to stop making payments.

Miss J disagreed with our Investigator's view and said that Revolut shouldn't be able to get away with the fact it didn't intervene properly. She added she was a vulnerable customer and that the level of manipulation she suffered shouldn't be overlooked. Moreover, Miss J argued that she was using remote access software when making payments on the Revolut app and therefore Revolut should have realised she was being scammed and blocked her account.

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.

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

- I thought Revolut reasonably ought to have prevented all (or some of) the payments Miss J made, or
- Revolut hindered the recovery of the payments Miss J 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 Miss J fairly and reasonably in its dealings with her, when she made the payments and when she reported the scam, or whether it should have done more than it did.

Having done so, I've decided to not uphold Miss J's complaint, and, broadly, for the same reasons as our Investigator. I know this will come as a disappointment to Miss J and so I will explain below why I've reached the decision I have.

I have kept in mind that Miss J made the payments herself, and the starting position is that Revolut should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance.

I appreciate that Miss J did not intend for her money to ultimately go to fraudsters and was deceived into doing so – but she did authorise these payments to take place. However, there are some situations when a bank, or an electronic money institution such as Revolut, 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.

*Was Revolut's fraud intervention proportionate?*

So, I've thought about whether the transactions should have highlighted to Revolut that Miss J might be at a heightened risk of financial harm due to fraud or a scam.

Revolut intervened on the first payment Miss J made on 12 May 2023 with a generic warning about reviewing the details of the beneficiary before proceeding with the payment, and to warn her Revolut might not be able to recover the funds if it turned out to be a scam.

The first payment was relatively low value, and the account had just been opened by Miss J, so I don't think Revolut should have done more at that stage.

Revolut intervened again on the second payment, which Miss J made on 19 May 2023. This was also a new payee so, at first, Revolut issued the same generic transfer review warning.

It then issued an unskippable warning where it told Miss J it thought she was being scammed, due to the payment being very unusual and 99.2% higher risk than a typical transaction.

It asked Miss J to confirm the reason for payment, which Miss J selected as “payment for goods or services”. At this point, Miss J was taken through a warning about the common features of purchase scams that she could not skip past. Following that, she selected she wanted to proceed with the payment, which Revolut duly processed.

In evaluating whether this intervention was proportionate, I’ve taken into account that Miss J had just opened her account with Revolut when she made the scam payment, so Revolut didn’t have much historic information about the account or what Miss J’s typical usage was like. So, Revolut wouldn’t have been at first in a position to know whether Miss J’s activity was unusual or out of character – as it had very little to compare it against.

I must also bear in mind that Miss J opened her Revolut account for the purpose of “transfers”, amongst other reasons, and that the scam payment was in line with that reason.

So, I’ve found this intervention was proportionate to the scam risks identified and to the value of the payment Miss J was making. Moreover, I believe Miss J’s answers didn’t allow Revolut to identify the correct scam risks and issue a warning more relevant to Miss J’s circumstances.

Revolut didn’t intervene further on any of Miss J’s payments, even if they were very high value. I believe several opportunities were missed to probe further. This is especially in light of the size and number of payments Miss J was making. So, I’m persuaded Revolut should have intervened proportionately in the form of blocking them and querying them further with Miss J by asking open ended questions and seeking supporting evidence of any high value purchase she was looking to make.

However, I must consider Miss J took failed to heed the clear and unequivocal warnings she had received from L about having fallen victim to a romance and investment scam. As I’ll go on to explain, I don’t believe more detailed interventions would have resulted in Miss J’s losses being prevented.

*Would better interventions from Revolut 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 Miss J’s further losses, had it probed her payments beyond the extent that it did.

I’ve considered that point very carefully and I’m not persuaded it would have been. The evidence available to me strongly points to Miss J being too deep under the scammer’s spell to heed any warnings from her bank or Revolut.

I say this because of the phone calls and in-branch meetings L held with Miss J between 12 and 25 May 2023. In the phone calls of 13 May 2023, the fraud specialist from L fully unveiled both the investment scam and the other romance scam Miss J had sadly fallen victim to at the same time as this one.

The scam chat transcripts with the scammer impersonating the investment manager show Miss J attended her local bank branch on 25 May 2023 where the banking protocol was

invoked. Whilst L was unable to provide full documentation of Miss J's in-branch visit, its internal notes clearly show Miss J was to come into branch and be shown investment scam videos and if she continued to deny she was falling victim to a scam, the police was to be called.

The scam chat transcripts further support this version of events, by revealing that, whilst the police didn't make it to branch, Miss J spoke with them on 26 May 2023. The chats also show how the scammer heavily manipulated Miss J to press ahead with lifting the block from her L account so she could continue to transfer funds into her Revolut account.

Moreover, the calls reveal that Miss J's family also told her that she was dealing with a scammer, but she continued to vehemently deny that she had fallen victim to any scams and refused to take heed of the bank, police and her own family's advice.

Miss J's interaction with Revolut indicates that Miss J was intent on keeping the true reason of her payments hidden from Revolut and would have continued to disguise it for as long as she could.

Miss J's representatives have argued that the scammer was using remote access software to control Miss J's interactions with Revolut. However, Revolut has explained this would have not been possible, because Miss J only ever accessed the Revolut app via her iPhone and iPhone's operating system prevents the remote access software from taking control of the device.

Moreover, Revolut submitted that its own app blanks out when remote access software is being used, therefore making it impossible for the scammer to remotely select the answers to Revolut's questionnaire.

I've taken independent steps to corroborate Revolut's explanation, by reviewing the auditing information and researching the technical features of the remote access software used in this scam and I'm satisfied that, most likely, the scammer couldn't have taken over the Revolut app to control the answers to its fraud questionnaire.

Whilst this isn't Miss J's recollection of events, I find it more plausible that, based on the evidence, the scammer coached her on how to answer the questionnaire, as opposed to answering it themselves.

Miss J's representatives claimed that Revolut should have realised that remote access software was being used and blocked Miss J's app.

However, I'm persuaded that, on balance, no matter what steps Revolut could have taken to stop the payments, Miss J was so in denial and under the emotional control of the scammer, that she would have found new ways to send her funds to them, such as by opening accounts with other payment service providers, in the same way as she had done with opening the Revolut account.

Finally, Miss J has also argued that she was vulnerable to the scam, due to a number of personal circumstances. While I note Miss J's comments and understand this was a very troubling and challenging time for her, I can't see that Revolut had been notified of any vulnerabilities or needs such that it should have known to take additional steps to protect Miss J as she was making the payments.

Overall, based on all of the above, I believe that, on the balance of probabilities, Revolut wouldn't have been able to prevent Miss J's losses, even if it had intervened earlier in the scam.

## *Recovery*

All the payments went to overseas bank accounts. Miss J reported the scam to Revolut several months after her last payment to the scam and Revolut has shown that it contacted the receiving account institutions on the same day of being notified of the scam. Scammers are sadly known for moving funds out of the receiving account within minutes – or hours at most, of the funds landing in the account. Considering the chances of recovering funds from the beneficiary (especially an international one) are incredibly slim, I believe that, no matter how prompt Revolut's efforts, Miss J's funds were unlikely to be recovered in the circumstances.

So, I don't think it would be fair and reasonable to conclude that Revolut should have done anything more to try and recover Miss J's funds on this occasion.

## **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 Miss J to accept or reject my decision before 3 March 2026.

Daria Ermini  
**Ombudsman**