

## The complaint

Mr Y complains that Revolut Ltd didn't do enough to prevent him from losing money to what he says was a scam.

Mr Y has used a representative to bring his complaint. But, for ease of reading, I'll mostly just refer to Mr Y himself where I also mean his representative.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. On 6 May 2020 Mr Y made a transfer from his Revolut account for £20,000. He's provided evidence of a reservation form from a company called 'S' dated 30 April 2020 which indicates the £20,000 payment was a deposit to reserve the purchase of commercial property. It also set out that S weren't the vendor of the property and was acting as an intermediary to facilitate an independent contract that Mr Y would enter into with the vendor of the property. It also set out that the deposit was refundable if an agreement couldn't be reached to exchange contracts on the property.

Mr Y has also submitted emails between him and Y in 2022. Included within these is S telling him that *"it is logical for us to cancel this deal as it has gone on for far too long and complexities keep arising which make it even more difficult to achieve. We have attempted to cover the terms but delays with the solicitors with such complexity in the deal is proving difficult and we have to be realistic. For all parties involved it would be best to move on to provide reservation fees back and maintain a good relationship."*

There is also further communication through 2022 where Mr Y is chasing S for his refund, which he says he never received. Companies house shows that in July 2023 S went out of business and was dissolved. In August 2023 Mr Y complained through his representatives to Revolut that his payment had been made as a result of a scam, he is seeking to be reimbursed. He also raised a complaint about 'L' who provided the account he paid.

Mr Y alleged that Revolut had failed to properly warn him about the potential for losing money to a scam. No redress was offered and the matter was referred to our service. One of our Investigators didn't recommend that the complaint should be upheld. In a broad summary she wasn't persuaded that S were operating a scam and even if it was, she didn't think Revolut had failed in a way that was causal to Mr Y's loss. Mr Y disagrees and has asked for an Ombudsman to review his complaint.

### 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've reached the same outcome as our Investigator and for similar reasons. I know this will be disappointing for Mr Y, so I'll explain why. I'm aware of Mr Y's linked complaint about L, but this decision relates solely to Revolut.

I agree with our Investigator that based on the submissions Mr Y has made, I've not seen enough to persuade me it's more likely than not that S' intention when accepting the £20,000 payment from him was to defraud him. I appreciate there was an agreement given in 2022 to return the deposit and that this didn't happen before S ceased trading. But I don't think this is evidence of S' having dishonest intentions in May 2020. I also note the following factors:

- I've not seen evidence of this having been reported to the police.
- I've not been able to find online evidence online to support that S were operating a scam.
- Companies house shows S had been incorporated since 2013.
- S' statements (on the linked complaint) include evidence of payments to and from entities with links to property investments.
- S appear to have facilitated a previous successful investment that Mr Y had engaged in (as I'll come to below).

The evidence that Mr Y himself has provided also indicates that a deposit was paid to reserve a property under development. And that there were later issues with this (with S themselves being an intermediary and not necessarily responsible for the development itself) meaning the deal didn't go through. Mr S also says that he received £7,000 back (in February 2020) following a previous investment into a hotel facilitated through S. This coincides with media reporting about the same hotel being sold for £3.2M the same month. I also note that Mr Y's Revolut statements show that he received credits totalling nearly £39,000 either directly from S or from a linked entity in relation to the initial hotel investment through S. When Revolut asked Mr Y about incoming payments from S or those linked to it that predated his outgoing payment (relevant to this complaint) he said: *"I have hotel rooms in [X Hotel] and receive rent. S was the agent in this investment."* I find this to be persuasive evidence that in 2020, S more likely than not were legitimately operating. Mr Y is acknowledging that he'd had a previous successful investment through S which resulted in him owning hotel rooms and receiving significant sums as well as rent.

I also note that Mr Y has shared with us a 'letter of demand' that his solicitor sent to S in November 2022 in which he is seeking the same funds that are subject to this complaint. The basis of his claim to S in the letter is a breach of contract, not that he'd been defrauded.

Taking account of all the available evidence, I think it's more likely than not that this was a deal that failed, rather than S having dishonest intent at the time of accepting Mr Y's payment. It follows that if there was no scam to protect against, then I can't say Revolut acted unreasonably in not intervening in Mr Y's £20,000 payment.

But even if I'm wrong on the above point, and it could be shown that S' intention was to scam Mr Y, it still wouldn't impact my decision on this complaint. I say this as I don't think any proportionate level of intervention from Revolut would've uncovered the alleged scam at the time. Mr Y appears to have a level of experience in property investment; his submissions also indicate that he'd conducted his due diligence prior to investing. And given his previous investment through S (by his own admission) was successful, I don't think a warning about the potential for a scam would've prevented him from making the payment he did.

For completeness, as Revolut weren't on notice of a potential problem with Mr Y's payment until 2023 (and I know from the linked complaint that the recipient account was closed by that point), I don't think there was anything they reasonably could've done that would've assisted Mr Y to recover his payment.

I'm of course sorry to hear Mr Y lost the money he did. But as I don't think this is something Revolut are responsible for, there isn't a reasonable basis upon which I can require them to do more to resolve this complaint.

### **My final decision**

For the reasons outlined above, 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 Y to accept or reject my decision before 23 February 2026.

Richard Annandale  
**Ombudsman**