

## **The complaint and what happened**

Mr G complains Revolut won't reimburse money he lost when he fell victim to an investment scam.

The full details of this complaint are well known to both parties, so I won't repeat them here. Instead, I'll recap some of the key points, and focus on giving reasons for my decision:

- Mr G found an investment company, via a popular social media platform, which we now know to be a scam. He researched the company online, reviewed their website and read positive reviews; to satisfy himself they were a genuine company before investing.
- Between 28 February 2023 and 6 April 2023, Mr G transferred just under £90,000 from his Revolut account to 13 different beneficiaries held with various banks under the guidance of the scammer, thinking he was investing the money into the investment company.
- Mr G realised he had been a victim of a scam when he asked to make a withdrawal and the scammer kept asking him to pay various fees and taxes before being allowed to make any withdrawals.
- Mr G initially raised a complaint with Revolut on 8 April 2023. However, shortly after on 10 April 2023, the scammer convinced Mr G they will refund him if he withdraws the complaint he had raised with Revolut, which Mr G did. As no refund was provided, Mr G raised the complaint again with Revolut in April 2024 via a professional representative, which they didn't uphold, so the matter was referred to our service.
- Our Investigator didn't uphold the complaint. He said, Revolut made several proportionate interventions. And he didn't think any further interventions would've prevented Mr G from sending the funds, especially considering his responses to the previous interventions carried out by his other banking providers and Revolut due to the influence of the scammers coaching and guidance.

Mr G didn't agree. In short he said, Revolut should have considered his vulnerabilities and mental health challenges at the time of the scam. And based on the amounts of money he was sending out of his account; Revolut should have carried out human intervention and blocked his account which would have prevented his loss and uncovered the scam.

As no agreement could be reached, Mr G's complaint has been passed to me to decide.

### **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 sorry Mr G has been the victim of a scam, and I don't underestimate the impact this has had on him. But while I'm sympathetic to his circumstances, I must consider whether Revolut is responsible for the loss he has suffered. I know this won't be the outcome Mr G is hoping for, but for similar reasons as our Investigator, I don't think they are. And so, I don't think Revolut has acted unfairly by not refunding the payments. I'll explain why.

However, before I do, I want to reassure Mr G that I've considered everything he has submitted in support of his complaint. And so, while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether Revolut is responsible for Mr G's loss.

In broad terms, the starting position in law is that an electronic money institution (EMI) is expected to process payments that their customer authorises them to make. It isn't disputed that Mr G knowingly made the payments from his account and so, I'm satisfied he authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Revolut are expected to process Mr G's payments, and he is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

When considering this, I've kept in mind that EMI's process high volumes of transactions each day. And that there is a balance for Revolut to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate – as it wouldn't be practical for EMI's to carry out additional checks before processing every payment.

I need to decide if Revolut acted fairly and reasonably in their dealings with Mr G when he made the payments. Specifically, whether they should've done more than they did before processing them – and if they had, would that have made a difference.

### Revolut's interventions

Here, before processing the first payment, Revolut provided Mr G with the following warning as it was being made to a new beneficiary:

***“Do you know and trust the payee?”***

*“If you're unsure, don't pay them, as we may not be able to help you get your money back. Remember, fraudsters can impersonate others, and we will never ask you to make a payment.”*

Although not an insignificant sum, I think this warning was a proportionate additional check to the risk presented by the £1,002.99 transaction. And, so, I think it was reasonable for Revolut to process the payment upon receiving Mr G's confirmation that he wished to proceed (and understood the potential risks).

Revolut have confirmed the above warning was shown to Mr G on 13 separate occasions when he made payments to new beneficiaries.

Revolut also asked Mr G about the purpose of payment on eight separate occasions and on five occasions Mr G selected 'Something Else' and three times he selected 'Transfer to a

'*Safe Account*'", even though '*Investment*' was one of the options available to Mr G. Revolut provided tailored warnings based on the purpose selected. Based on the value of some of the payments, I'm satisfied that these pre-determined questions, which took into consideration the payment purpose Mr G provided, were a proportionate method to assessing the potential risk of financial harm at this point. But despite this, Mr G proceeded to make the payments.

Revolut have also said Mr G was referred to their in-app chat function on 30 March 2023, when he selected '*Something Else*' after he was asked for the purpose of payment when he attempted a payment of £1,000 to an individual. Mr G was asked various questions, which resulted in him providing the following information to Revolut:

- He confirmed he wasn't paying someone he didn't know well or had met recently online.
- He hadn't been asked to pay an upfront fee as part of an investment in the promise of receiving a larger payment later.
- He was making the payment for a courier service and insurance on the item from USA.

We now know the above information wasn't correct.

Revolut then provided Mr G with warnings about techniques used by scammers including telling individuals to withhold information from their banking providers and scammers using increasingly sophisticated techniques to gather personal information and convince individuals to transfer funds in complex scams. Mr G confirmed he understood and decided to go ahead with the payment.

On 8 April 2023, Mr G reported the scam to Revolut and provided details of what had happened. However, on 10 April 2023, Mr G said the agent of the investment company had been in touch and agreed to make the payment he was due, so he asked Revolut to withdraw his complaint. Revolut did question Mr G further about what he had been told and when the payment was meant to be made, however, Mr G confirmed the payment was due on 11 April 2023 and if the payment is not made he will be back in touch on 12 April 2023 to ask Revolut to continue looking into his complaint. Mr G maintained regular contact with Revolut over the next few months, and on 23 May 2023, he told Revolut he had cleared up the misunderstanding with the investment company, but due to the beneficiary accounts still being blocked he's been unable to get his money released. Mr G got in contact with Revolut again on 22 May 2024 and complained their actions resulted in him not being able to get his money from the Investment company.

I've also reviewed the scams chats Mr G had with the scammer and without going into too much detail, I can see Mr G maintained regular contact with the scammer throughout the scam period, which included sharing screenshots on every step of the payments and included Mr G being coached step-by-step on how to complete the fraudulent transactions. The scammer also guided Mr G how to bypass banking restrictions and use alternative methods when one failed. This should have raised concerns with Mr G, as this isn't what you would expect from a genuine investment opportunity. Also, when Mr G initially realised he had been a victim of a scam on 8 April 2023, and reported it to Revolut, the scammer convinced him the investment was genuine and to withdraw his complaint, which he did. This again shows the control the scammer had on Mr G at the time. It's clear Mr G was under the influence of and being heavily coached by the scammer, so even if I thought Revolut should have provided any further interventions, I don't think it would have made a difference here.

I've also considered Mr G's comments about the vulnerabilities and mental health challenges he faced at the time – and that Revolut should have provided human intervention – but I'm not persuaded that this would have made a difference.

Although I accept Mr G was clearly suffering from some health issues, I don't think this would have been apparent to Revolut, even if it had called him. Mr G had already had a detailed in-app chat with Revolut on 8 April 2023 when he reported that he had been a victim of a scam – but shortly after withdrew the complaint and didn't accept what was happening to him due to being heavily coached and manipulated by the scammer in what to say and do. So, I don't think any further questioning from Revolut could have persuaded him to be truthful about what was going on.

I've also considered whether, on being alerted to the scam, if Revolut could reasonably have done anything else to recover Mr G's losses. However, as Mr G withdrew his initial complaint, which he raised on 8 April 2023 and didn't contact Revolut again until 22 May 2024, I don't think there was any reasonable prospect of Revolut recovering his funds. So, I wouldn't have expected them to have done anything else.

I have a great deal of sympathy for Mr G and the loss he's suffered. I appreciate he is the innocent victim of a scam, and he has lost a significant sum of money. But it would only be fair for me to direct Revolut to refund his loss if I thought they were responsible – and I'm not persuaded that this was the case. For the above reasons, I think Revolut have acted fairly and so, I'm not going to tell them to do anything further.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 February 2026.

Israr Ahmed  
**Ombudsman**