

The complaint

Ms D has complained that Revolut Ltd (“Revolut”) failed to refund the money she lost as part of an investment scam.

What happened

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

In summary though, Ms D came across someone on social media that purported to be a trader, but was actually a scammer. I will call the scam company B.

Ms D then made around 32 payments totalling over £25,000 to B in November and December 2024. These were mainly card payments, but there was one transfer. These payments were made to crypto exchanges and a payment service provider and the funds were then sent on to B.

Ms D realised she had been scammed when she was unable to withdraw her investment profits, without paying a series of additional fees. Ms D asked Revolut to refund these payments, as she believes Revolut should have done more to prevent her from being scammed in the first place.

Two of our investigators looked into this matter and after a bit of back and forth with two initial assessments, the final investigator rereviewed the complaint and it was then not upheld. The reason for this is that the investigator did not think that an appropriate and proportionate intervention would have stopped the scam, due to the answers provided by Ms D when Revolut did intervene.

Ms D did not agree with this and therefore this case 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons.

In deciding what’s fair and reasonable, I am required to take into account relevant law and regulations, regulators’ rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, on what I consider is more likely to have (or would have) happened, in light of the available evidence and the wider circumstances.

In broad terms, the starting position is that Revolut is expected to process payments and withdrawals that a customer authorises it to make. This should be in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

However, taking into account relevant law, regulatory 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 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;
- 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;
- 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); and
- 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 can see that Revolut intervened multiple times during the scam. The initial interventions were online questions and warnings and the final intervention there was in app chat and a phone call.

I think that Revolut should have intervened more than it did, earlier than it did. I think that it should have asked questions about the third payment which was made on 21 November 2024 and provided a tailored written warning depending on the answers provided. But I don't think that this would have prevented or uncovered the scam. I say this because, on the same day in relation to a different payment, Revolut did ask questions about the payment in its automated warning flow. Ms D, when asked about the payment reasons, she selected "other" rather than "investment" and added in a text box that she was purchasing crypto to hold in her private wallet. This answer to me is clearly designed to alleviate any concerns by Revolut that she intended to send the crypto to a third party. This is further demonstrated by her saying the same thing when queried about other payments. This prevented Revolut from providing a warning that would resonate with Ms D and I think the same would have happened if Revolut intervened in the third payment.

I am also mindful that, later in the scam, during a phone call on 4 December 2024, Ms D also gave answers that were misleading. Some examples were that she said she had found the investment on her own; she said nobody that she had met online was guiding her; and that she was not sending funds on to a third-party and was instead holding on to the funds in her own wallet. I also note that Ms D was provided with a warning at this point setting out common features of crypto scams, that included many of the features of the scam that Ms D was actually falling for.

I accept that, had Revolut intervened with a human intervention earlier in the scam, it is possible that Ms D would have acted differently. But from the limited interactions between Revolut and Ms D early in the scam, there were already signs that she had either been coached on what to say or was voluntarily providing misleading information. I say this because Ms D was already making it clear that she was intending to hold the funds in her own crypto wallet – when in fact she was always going to send the money on. And when asked, she was not selecting the payment purpose type as 'investment'. So on balance, I don't think that an earlier human intervention would have stopped the scam.

So overall, I think that Revolut should have intervened more than it did. But given how Ms D reacted to the warnings and interventions, I see no reason why she would've acted any differently had further interventions taken place.

I note Ms D's comments that she was vulnerable at the time. But I can't see how Revolut would've known that at the time of the scam. I've not seen anything that reasonably ought to have given Revolut cause for concern about Ms D's ability to manage her finances or that she was more likely to be scammed.

I've also thought about whether Revolut could have done more to recover the funds after Ms D reported the fraud.

In this instance, the debit card payments could potentially have been recovered by a chargeback. But in this case, a chargeback would not have been successful, as the transactions Ms D used her debit card for was to pay for the purchase of cryptocurrency, which she duly received. It was only when the cryptocurrency was transferred from her crypto wallet to the scammer did the loss then occur. So, she could not claim that she did not receive the goods or services paid for, which was either transferring funds to the crypto exchange or the purchase of the cryptocurrency. As a result, I can't reasonably say that Revolut can be held responsible for the loss, because it didn't carry out a chargeback at the time.

Revolut are also under no obligation to refund the money, as the Contingent Reimbursement Model does not cover transfers to an account in the customer's own name.

I appreciate this will likely come as a great disappointment to Ms D, and I'm sorry to hear she has been the victim of a scam. However, whilst I have a great deal of sympathy for the situation that Ms D found herself in, I'm not persuaded that Revolut needs to refund the money Ms D lost during the scam.

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 Ms D to accept or reject my decision before 22 May 2026.

Charlie Newton
Ombudsman