

The complaint

Mr P complains that Revolut Ltd won't refund him after he was the victim of a fake job scam.

Mr P is represented by a professional representative, but I'll refer to him only for ease of reading.

What happened

The circumstances surrounding this complaint are well known to the parties, so I've summarised what I consider to be the key events.

Mr P appears to have received a message through a popular messaging app on 6 August 2023. It asked if he was interested in an online job opportunity, reviewing advertisements in order to earn commission. He was told he would need to deposit a small amount to start, but he would be able to withdraw his money and the commission he received as soon as he had completed each set of reviews.

He did some internet research and it appeared the company was legitimate. However, it seems he was contacted by scammers impersonating a legitimate recruitment company and website.

As the scam progressed, Mr P found that he was being asked to deposit more and more money in order to "unlock" the commission he had earned, but aside from a small amount he was able to withdraw early on, he has not been able to withdraw his money. He says he realised this was a scam when he attempted to withdraw money and the scammers ignored his attempts to contact them.

He says he made the following payments, first to three cryptocurrency accounts which appear to have been under his control and then from those accounts to the scammers.

Payment	Date	Amount	Payment type
1	09/08/2023	£70	Card Payment to cryptocurrency account
2	09/08/2023	£50	Card Payment to cryptocurrency account
3	10/08/2023	£886	Card Payment to cryptocurrency account
4	10/08/2023	£2,160	Card Payment to cryptocurrency account
5	10/08/2023	£3,600	Card Payment to cryptocurrency account
6	11/08/2023	£2,804	Card Payment to cryptocurrency account
7	11/08/2023	£2,802.02	Bank Transfer to cryptocurrency account
8	12/08/2023	£5,185	Card Payment to cryptocurrency account
9	14/08/2023	£2,000	Bank Transfer to cryptocurrency account
10	15/08/2023	£2,800	Bank Transfer to cryptocurrency account

Mr P notified Revolut about the scam on 22 August 2023, but it didn't refund his money.

Mr P says the payments were out of character for the account and ought to have prompted questioning by Revolut on 10 August 2023. He says he had never bought cryptocurrency

before and the account was newly opened for the purpose of the scam. He was allowed to send over £20,000 to three different cryptocurrency providers in two days without any intervention from Revolut. He doesn't think Revolut should be able to rely on automated warnings and pop-ups notifications. He feels that if Revolut had intervened by questioning him, it would have uncovered the scam. And he considers that if it had asked him the purpose of the payments, he would have told it the payments were for a job, which would have been an obvious indicator of fraud to Revolut.

Revolut says it intervened on the 11 August 2023, on the transaction for £2,802.02, as it was to a new payee. It says it sent a new payee warning and conducted a real-time risk assessment. It says it put the payment on hold and asked Mr P the payment purpose, to which he replied "cryptocurrency". Revolut says Mr P received warnings based on that answer. The warning said there was a high possibility this was fraud, to ensure no one else had access to the account, that if he'd been asked to download anything it was likely to be a scam and to research the new investment to establish whether it was a legitimate company he was investing with.

Our investigator concluded that Revolut ought to have intervened earlier than it did when Mr P made a payment for £3,600 on 10 August 2023. But he thought earlier intervention was unlikely to have uncovered the scam. He noted that Revolut had sent a warning on 11 August 2023 and these warnings hadn't stopped Mr P from proceeding with the payment.

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.

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

But, taking into account relevant law, regulators 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 in August 2023 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 including in relation to card payments);
- 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'm satisfied that Revolut ought to have recognised that payment five carried a heightened risk of financial harm from fraud because it was the third payment made to cryptocurrency accounts on the same day from Mr P's account, the payments were escalating in size and had a relatively high cumulative value at £6,646 for transactions made within a short time of each other. It was also part of a larger set of escalating payments to cryptocurrency accounts that had started the day before. I note the account opening purpose was given as: Purchase Protection, Stocks, Cashback and Daily Spending, which doesn't really seem consistent with using it to send payments to cryptocurrency accounts. The payments were made to a well-known cryptocurrency platform and Revolut would have been aware of this. Overall then, I consider Revolut ought to have intervened earlier than it did.

I think a proportionate response to that risk, in August 2023, would have been for Revolut to provide a tailored written warning that asked a series of questions to narrow down the specific scam risk. Revolut ought to have been aware from the payment destination that the transactions were to purchase cryptocurrency and I think it's likely Mr P would have been honest about that if asked, because Revolut did intervene the next day and Mr P did say the payment purpose was "cryptocurrency".

I would have expected Revolut to have asked further questions about the cryptocurrency purchase, such as whether Mr P was investing, or paying to earn money, for example, due to the number of investment and work-task scams Revolut would have been aware of by this time. This would have helped identify what type of cryptocurrency risk Mr P might be exposed to. But, if Revolut had intervened on 10 August 2023 with such a warning, I'm not persuaded that would have prevented Mr P's loss. I'll explain why.

Mr P says he was initially told that he would need to deposit £50 in order to review each set of adverts. He was told that for "commercial" adverts he would need to deposit more – an amount equal to the amount he would earn from reviewing the adverts. By 8 August 2023, the copies of the messages Mr P exchanged with the scammers show he was experiencing problems withdrawing money. He had paid in very little at this point. This was before the first payment Mr P made through Revolut, so from an early stage, the job was not working in the way Mr P had been told it would and he was experiencing difficulties making withdrawals.

He says on 9 August 2023 he received more commercial advert tasks than he was told he would, which increased the amount he needed to deposit before he would be able to make withdrawals. He says he managed to balance the account, but still couldn't make any withdrawals.

Despite that, I'm aware that Mr P was contacted by his bank on 11 August 2023 and it asked him the purpose of some payments he was making to Revolut. He told his bank he was sending money back home, when in fact he was sending the money to Revolut to ultimately fund these work tasks. He says he misled his bank because the scammer suggested he should due to banks not liking cryptocurrency transactions.

Overall, I consider it unlikely Mr P would have engaged openly with Revolut if it had intervened on 10 August 2023. If he was prepared to follow the scammer's advice not to be honest with his bank on 11 August 2023, there is little reason to think he would have been more open with Revolut if it had intervened on 10 August 2023.

There also appears to have been a degree of desperation in Mr P's actions, where he was prepared to pay in significant amounts of money in order to try to secure the withdrawals he was chasing from an early stage. By 11 August 2023, despite having invested over £6,500, when the job was not working in the way he was told it would and he had been questioning why he couldn't make withdrawals even before he had paid in substantial amounts, he was prepared to mislead his bank at the suggestion of the scammers.

That makes me think it's unlikely he would have been more open with Revolut about the real payment purpose if it had intervened on 10 August 2023. If anything, he had more reason to suspect fraud on 11 August, than he did on 10 August, after investing more money and experiencing more problems with making withdrawals.

While Mr P says he wasn't coached by the scammers to a meaningful degree, it appears he was listening to the scammers, and took their advice not to be open with his bank. That makes me think it's less likely he would have been open with Revolut about the real payment purpose if it had intervened on 10 August 2023.

I do consider it would have been harder for Mr P to mislead Revolut than it was to mislead his bank, since Revolut knew payments were being sent to a cryptocurrency platform. But I think it's likely Mr P would have sought advice from the scammer on how to respond, as he appears to have done this a day later when he responded to his bank on 11 August. I consider it likely the scammer would have advised Mr P to choose an option other than "paying money to earn money", such as that he was investing in cryptocurrency directly, as that's likely to have raised less concern with Revolut.

I consider it more likely than not that Mr P would have answered in accordance with the scammer's suggestions. I say this because Mr P appears to have been deeply taken-in by this scam. Overall, it seems unlikely that any warnings would have led to Mr P stopping his payments to the scammer.

I agree with the investigator that a further warning would have been appropriate when payment eight was made. This was a relatively high-value payment of £5,185, coming soon after other payments to cryptocurrency accounts.

Even if Revolut had made direct contact through in-app messaging, I don't consider it's likely to have caused Mr P to stop making the transactions on 12 August.

If Revolut had asked Mr P questions via in-app messaging, I have little evidence to persuade me that Mr P would have responded openly to Revolut's questions, bearing in mind he misled his bank when it asked questions about the related transactions, by telephone on 11 August 2023. On that basis, I consider it unlikely the scam would have been uncovered by Revolut.

Overall, for the reasons given above, I consider that proportionate intervention by Revolut on 10 and 12 August 2023 wouldn't have prevented Mr P's loss.

My final decision

I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 20 May 2025.

Greg Barham
Ombudsman