

The complaint

Mr A complains that Bank of Scotland plc trading as Revolut Ltd (“Revolut”) won’t refund the money he lost to a fake job scam.

What happened

The details of this complaint are well known to both parties, so I won’t repeat everything again here. In brief, Mr A fell victim to a fake job scam after receiving a message via a messaging service - I will call the scammer ‘B’. B told Mr A that he would be paid for completing a number of tasks, but he would have to send B crypto in order to unlock the payments.

Mr A made two debit card payments one of £91 on 12 November 2023 the other of £678 on 13 November 2023 to a crypto exchange the funds were then sent onto B.

Mr A realised he had been scammed after he was continually pressured into paying more money to B.

Mr A asked Revolut to refund these payments as he believes Revolut should have done more to prevent him from being scammed. Revolut did not agree with this.

One of investigators looked into this matter and he thought that the scam would not have been stopped regardless of how much Revolut intervened. So, he did not uphold this complaint.

Mr A did not agree with this and therefore his complaint has been passed to me to issue a 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.

It isn’t in dispute that Mr A has fallen victim to a scam here, nor that he authorised the disputed payments he made to the scammer (where his funds were subsequently transferred on to the scammers from his crypto wallet). The payments were requested by him using his legitimate security credentials provided by Revolut, and the starting position is that Electronic Money Institute (EMI”) such as Revolut ought to follow the instructions given by their customers, in order for legitimate payments to be made as instructed.

That said Revolut should reasonably protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have been aware of the scam and stepped in to prevent the payments Mr A was making.

The payments were not of such a size that I think they should have prompted an intervention from Revolut. So, I don't think the payments Mr A made would reasonably have triggered Revolut's fraud prevention systems.

I note that the second payment did make Revolut issue a general fraud warning but given the size of the payment I do not think that it needed to do more for this transaction. So, I don't think Revolut missed an opportunity to step in and prevent the scam from taking place.

I've also thought about whether Revolut could have done more to recover the funds after Mr A reported the fraud, but in this instance as the payments were made via debit card a chargeback would not have been successful as he received the crypto he had paid for.

Revolut are also under no obligation to refund the money to Mr A under the Contingent Reimbursement Model (CRM) Code either, as the Code does not apply to debit card transactions.

I appreciate this will likely come as a disappointment to Mr A, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm not persuaded that Revolut can fairly or reasonably be held liable for his loss in these circumstances.

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 Mr A to accept or reject my decision before 12 March 2024.

Charlie Newton
Ombudsman