

The complaint

Mr A complains that Revolut Ltd (Revolut) is refusing to refund him the amount he lost as the result of a scam.

Mr A has previously been represented by a third party. To keep things simple, I will refer to Mr A throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr A was looking for a new Job when he received a text message from an unknown number which appeared to come from an online recruitment company. As Mr A had been looking for work the message was not entirely unexpected.

The recruitment company appeared to know Mr A's personal information and advised it was looking to fill full and part-time roles that would only require 1-2 hours work each day with a company I will call X. As Mr A was interested in the job opportunity he asked for more details.

Mr A then received a message via a messaging app from X explaining the role in more detail, that was to boost and maintain certain products on a website and improve social awareness of the product by leaving multiple product reviews.

Mr A downloaded X's App as directed and carried out a training exercise which showed Mr A how to carry out tasks, how to credit the account using a cryptocurrency exchange, and how to withdraw funds back to his account. The training account was prefunded, and Mr A says he was able to make a small withdrawal to his account.

As Mr A was able to withdraw from the platform without putting in any funds, he felt confident he was dealing with a legitimate business. Mr A also says he didn't feel it was unreasonable that he had to pay into the platform as he likened the position to being self-employed where he would be expected to invest in himself.

Mr A started the role completing the allocated tasks and was required to complete a set number of tasks before he could make a withdrawal. But as Mr A completed the tasks he came across 'Gifts' which meant he would earn more commission from the tasks but that they also cost more. They left the balance of Mr A's account with X at a negative figure that he was required to top up.

Mr A received multiple 'Gift' tasks before reaching the end of the set of tasks he was required to complete before being able to make a withdrawal.

When Mr A attempted to make a withdrawal, he was told he would have to complete more tasks first as he had taken too long to complete the set. Again, Mr A came across 'Gift' tasks that required Mr A to make further payments. X agreed to help fund the payments without

giving an explanation as to why. But Mr A was happy to receive the help.

Once the remaining tasks were complete Mr A again attempted to make a withdrawal but was told he would have to return the funds X had helped him with. Mr A refused to make the payment and eventually X agreed not to pursue it. But X did say that Mr A would have to make a further payment in relation to tax before a withdrawal could be made.

Mr A made the payment requested by X but a withdrawal was still not processed. Mr A then found that his account with X had been closed and realised he had fallen victim to a scam.

Mr A made the following payments from his Revolut account in relation to the scam via a cryptocurrency exchange using peer to peer payments:

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
1	15 August 2023	Individual 1	Transfer	£419.43
2	16 August 2023	Individual 2	Transfer	£1,208.40
3	16 August 2023	Individual 2	Transfer	£438.04
4	17 August 2023	Individual 3	Transfer	£1,611.20
5	17 August 2023	Individual 3	Transfer	£1,364.48
6	17 August 2023	Individual 4	Transfer	£20.46
7	25 August 2023	Individual 5	Transfer	£1,950.00
8	25 August 2023	Individual 5	Transfer	£1,700.00
9	25 August 2023	Individual 6	Transfer	£650.00
10	25 August 2023	Individual 5	Transfer	£555.00
11	25 August 2023	Individual 5	Transfer	£1,800.00
12	26 August 2023	Individual 5	Transfer	£1,595.00
13	30 August 2023	Individual 7	Transfer	£855.00
14	8 September 2023	Individual 8	Transfer	£410.00

Our Investigator considered Mr A's complaint and didn't think it should be upheld. Mr A disagreed, so this 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.

It has not been disputed that Mr A has fallen victim to a cruel scam. The evidence provided by both Mr A and Revolut sets out what happened. What is in dispute is whether Revolut should refund the money Mr A lost due to the scam.

Recovering the payments Mr A made

Mr A made payments into the scam via transfer. When payments are made via transfer Revolut has limited options available to it to seek recovery. As Mr A received cryptocurrency in exchange for the payments, he made from his Revolut account that he then transferred in relation to the scam any recovery attempt would likely fail.

With the above in mind, I don't think Revolut had any reasonable options available to it to recover the payments Mr A has disputed.

Should Revolut have reasonably prevented the payments Mr A made?

It has been accepted that Mr A authorised the payments that were made from his account with Revolut, albeit on X's instruction. So, the starting point here is that Mr A is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to 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 intervened when Mr A made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

The payments Mr A made in relation to the scam were not individually for such high amounts that I would have expected them to cause Revolut to have concerns, they were also not identifiably being made in relation to cryptocurrency. But Mr A was making multiple payments to new payees over a relatively short period of time so I think it could be argued that Revolut should have had concerns about some of the payments and intervened.

From the evidence available I can see that Mr A gave the reason of “something else” when he attempted some of the payments which I don’t think was accurate considering “cryptocurrency” was an available option.

When Mr A selected the incorrect option an intervention from Revolut did take place in the form of a chat via its in-app chat facility. I have looked over the transcript of the chats that took place.

It’s clear from reading the transcripts the Mr A was reluctant to answer the questions Revolut asked him, stating Revolut was wasting his time and that he didn’t need to answer the questions.

Mr A confirmed he had just started investing in cryptocurrency via a cryptocurrency exchange that his friend had recommended. Mr A also confirmed he had opened the Revolut account to trade and travel as a friend had told Mr A that there were no charges when making overseas payments.

The answers Mr A gave were not correct he had not opened the account to trade crypto but to buy crypto and transfer it as part of the job scam, he was experiencing. Had Mr A been honest when he answered Revolut’s questions and explained he was making payments in relation to a new job. I think it’s most likely, that with Revolut’s experience of this type of scam at the time, that it would have been able to give Mr A a clear warning that he was likely falling victim to a scam and any further loss would have been prevented.

Even if Revolut had provided a similar intervention earlier in the scam (which I don’t think it was required to) I don’t have enough to say Mr A would have given any more honest answers to Revolut’s questions.

So, I don’t think Revolut missed an opportunity to prevent the scam and it is not responsible for Mr A’s loss.

My final decision

I don’t 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 4 April 2025.

Terry Woodham
Ombudsman