

The complaint

Mr S complains that Revolut Ltd ('Revolut') won't refund the money he lost after falling victim to a job scam.

What happened

In November 2023, Mr S was contacted via a messaging app. He was offered a job opportunity which required him to review movies in order to earn commission. Mr S would get sets of tasks that he would have to complete and was told he could earn £200 to £1,000 per day.

Mr S says he wasn't looking for work at the time but was interested in the opportunity when it was presented to him. He was added to a group on the messaging app which appeared to include other people who were doing the same job and were receiving regular withdrawals of their commission. Mr S was offered some premium or superior sets of tasks which he had to pay for, but which promised a higher commission.

Mr S was able to make two small withdrawals initially, which he reinvested in further tasks.

These are the card payments Mr S made from his Revolut account. The payments in *italics* are payments that Mr S attempted to make but didn't complete.

Date	Pmt no	Details of transaction.	Amount
13.11.2023	1	Payment to V (an individual)	£2,498.68
14.11.2023	2	<i>Payment to S - attempted</i>	<i>£3,800.44</i>
14.11.2023	3	<i>Payment to S - attempted</i>	<i>£3,500.71</i>
14.11.2023	4	Payment to A (an individual)	£3,500.71
14.11.2023	5	Payment to A (an individual)	£500.25
14.11.2023	6	Payment to A (an individual)	£1,176.45

When Mr S was unable to withdraw further commission, he searched online and found articles that indicated he was the victim of a scam. Mr S raised a fraud claim with Revolut, asking that they refund him.

Revolut declined to refund Mr S. Revolut say when they intervened on four of the payments Mr S made (or attempted to make) Mr S wasn't honest in answering their questions, and he ignored the warnings they gave him. They also say Mr S didn't do any checks to ensure the job opportunity was genuine.

Mr S wasn't happy with Revolut's response, so he brought a complaint to our service.

An investigator looked into Mr S's complaint but didn't recommend that Revolut refund him. The investigator felt the intervention by Revolut was proportionate, and that it was unlikely any further intervention would've prevented Mr S from making the payments.

Mr S disagreed with investigator's opinion, raising the following points:

- Based on the size of the attempted payments and how many Mr S made in a short period of time, human intervention was warranted.
- If Revolut had provided appropriate intervention, the scam would've been uncovered, and Mr S wouldn't have made the payments.
- Mr S referred to two final decisions issued on other complainant's cases and the approach taken – saying we've taken a different approach on his case which has the same circumstances.
- Mr S wasn't coached by the scammers in answering Revolut's questions.
- Given that Revolut was aware Mr S was most likely the victim of a job scam, they should've been aware that Mr S's payments were being made to cryptocurrency.

Mr S asked that his case be reviewed by an ombudsman.

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 in law is that Revolut are expected to process payments that a customer authorises them to make, in accordance with the terms and conditions of the customer's account and the Payment Services Regulations 2017 (PSR's).

But, taking into account the law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider Revolut should fairly and reasonably have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams. Also, I'd expect Revolut to have 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). And where a potential risk of financial harm is identified, to have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – as in practice all banks do.

Should Revolut have intervened when Mr S made the payments?

In this case, Revolut intervened with Mr S made all of the first four payments.

When Mr S made the first payment, Revolut put the payment on hold and asked for the purpose of the payment. Mr S selected "pay a family member or friend". In response Mr S was asked some questions which I've included below, with Mr S's responses in italics:

- What are you paying them for? *Buying something from them*
- Have you paid this person before? *Yes, using different bank details*
- How did they provide the bank details? *Face to face*

Based on the answers Mr S gave, Revolut identified that he might be the victim of an impersonation scam and provided him with an onscreen warning. I'm satisfied that Revolut took the appropriate action for this payment. I wouldn't have expected them to take further action taking into account the size of the payment, Mr S's previous account activity and the information they had available about the payment.

When Mr S attempted to make the second payment, Revolut say Mr S was forced to talk to a specialist agent through their in-app chat. Mr S was asked similar questions as for the first payment and gave similar answers. As part of the questions, Revolut were concerned that there was an urgency to Mr S making this payment which is common with impersonation

scams. So, they provided Mr S with a warning tailored to those scams. Mr S didn't continue with making this payment and instead set up payment three – to the same payee.

For payment three, Mr S was asked questions about the payment he was making and was provided with a further warning. During these questions, Mr S maintained that he was making a payment to a family member or a friend.

I'm satisfied that the action Revolut took in asking Mr S questions to ascertain the purpose of the payment and passing Mr S to a specialist agent was appropriate for both of these payments. I think there are further questions that Revolut could've asked Mr S in relation to why he didn't proceed with payment two and set up payment three instead. But, based on the information that Mr S had given Revolut up to that point, including misleading them as to the purpose of the payment and his insistence that the payments be made – I'm not satisfied that asking further questions would've uncovered the scam or prevented Mr S from attempting to make these two payments.

When Mr S set up payment four, he selected a different payment reason of "something else". Mr S was asked a further set of questions and was forced to chat with a specialist agent. During these questions Mr S let Revolut know that he was making the payment as part of a job opportunity. In response, Revolut provided the following warning to Mr S.

"Be aware, it is common for fraudsters to pose as job recruiters. They may even make it appear as if they're contacting you on behalf of a legitimate company. They ask you to complete tasks to earn a fee, only to later demand additional payments to release supposed higher earnings. If you continue to transfer we might not be able to recover your money and you risk losing it. Would you still like to continue with this transfer?"

I'm satisfied that Revolut's intervention was appropriate and proportionate in relation to the fourth payment. The final warning that Mr S was given was specific to the scam he was the victim of. It was very clear as to what a job scam looks like, and I think it should've resonated with Mr S and raised concerns about the legitimacy of the job opportunity. I can't see that Mr S asked Revolut any questions in response to the warning or that he did any checks into the job opportunity or the company he believed he was dealing.

Even if there had been further intervention by Revolut when Mr S made the fourth payment, I'm not satisfied that it would've made a difference. I say this based on Mr S ignoring the job scam warning, the interaction he had with the Revolut specialists and how adamant he was in making the payments despite the concerns that Revolut raised with him.

Mr S says that human intervention was warranted, but Revolut referring him to talk to one of their in-app specialists is their version of human intervention and I'm satisfied that they took the appropriate steps by using this form of intervention.

Based on the intervention on the first four payments, the decreased value of the last two payments, that they were made to what was then an existing payee and the overall pattern of payments – I'm not satisfied that Revolut should've identified a potential fraud risk or intervened on the last two payments Mr S made.

I'm satisfied that Revolut appropriately identified a potential fraud risk when Mr S made the first four payments. I think that it was reasonable for Revolut to force Mr S to talk to a specialist through their in-app chat so that they could get further information about why he was making the payments. While I think that Revolut should've asked further open questions, based on Mr S providing incorrect information for payments one to three, it's unlikely that asking further questions would've made a difference. I'm also satisfied that when Mr S made payment four and told Revolut he was making the payment for a job

opportunity, they provided an appropriate written warning tailored to the scam that he was falling victim to. I'm not satisfied that further intervention by Revolut could've prevented Mr S's loss, so I can't fairly ask them to refund Mr S.

Additional points Mr S has raised

Mr S says that Revolut should've been aware that he was making payments to purchase cryptocurrency once they became aware he was paying for work. However, this wouldn't result in a different outcome for Mr S if they had, as Revolut identified a potential fraud risk on the first four payments and intervened appropriately.

Mr S has referred to two decisions that our service has issued on other cases. However, each case is dealt with on its individual merits. So, I've reached my answer based on the specific circumstances involved in Mr S's case.

Mr S says he wasn't coached in how to answer the questions by the scammer, so it's unclear why he misled Revolut, and why he continued with the same answers when talking to the specialist agent. But regardless, for the first three payments, Revolut was prevented from identifying the true purpose of the payments based on what Mr S told them. I'm not satisfied that further probing questions would've uncovered the scam any earlier than the fourth payment – when Mr S told Revolut the real reason for the payment.

Recovery of funds

Mr S says these card payments were used to purchase cryptocurrency and were peer-to-peer payments. This means that Mr S purchased cryptocurrency from individuals, which was paid into his cryptocurrency wallet before being transferred to the scammer. As Mr S received what he paid for (the cryptocurrency), Revolut wouldn't have been able to recover the funds from the beneficiaries.

I'm really sorry to disappoint Mr S, as he's lost a significant amount of money as a result of this scam. But, for the reasons given above, I'm not satisfied that I can fairly ask Revolut to refund him.

My final decision

My final decision is that I don't uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 23 October 2024.

Lisa Lowe

Ombudsman