

The complaint

Mr T complains that Revolut Ltd won't refund £9,887 he lost to a task-based job scam.

Mr T is being supported in his complaint by a representative – but for ease, I'll refer to Mr T throughout this decision.

The details of this complaint are well known to both parties. So, if there's a submission I've not addressed; it isn't because I've ignored the point. It's simply because my findings focus on what I consider to be the central issues in this complaint – that being whether Revolut was responsible for Mr T's loss.

I should also point out that whilst being mindful of previous decisions made by the Financial Ombudsman, I review each case on its own merits.

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 our Investigator for the following reasons.

It isn't in dispute that Mr T authorised the disputed card payments he made to legitimate crypto exchanges (which I'll refer to as 'B', 'M' and 'S'). The funds were subsequently transferred on to the scammers.

The payments were as follows:

Date	Payee	Amount
9 January 2024	'B'	£17
18 January 2024	'M'	£2,000
26 January 2024	'M'	£2,000
28 January 2024	'S'	£1,650
3 February 2024	'S'	£4,220 (declined)
3 February 2024	'S'	£2,110
3 February 2024	'S'	£2,110
Total loss:		£9,887

The payments were requested by Mr T using his legitimate security credentials provided by Revolut. In line with the Payment Services Regulations 2017, consumers are liable for payments they authorise. Revolut is expected to process authorised payment instructions without undue delay.

Revolut also has obligations to help protect customers from financial harm from fraud and scams. So, I've considered whether Revolut should've done more to protect Mr T as there are some situations in which Revolut should reasonably have had a closer look at the circumstances surrounding a particular transaction. For example, if it was particularly unusual or suspicious.

At the time these payments were made there was a high prevalence of crypto scams; and so, the risks of making crypto related payments should've been well known to Revolut. But I

must keep in mind that Revolut processes high volumes of transactions each day; and that there is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

Mr T's Revolut statement indicates that his account was often used for transactions involving crypto. This would, in my opinion, have made the disputed payments appear less unusual. And I'm also mindful that payments involving the purchase of crypto can be part of a legitimate investment.

All payments were also made to accounts in Mr T's own name with legitimate companies ('B', 'M' and 'S').

I appreciate that Mr T has lost £9,887 which is a significant amount of money. But this amount wasn't paid in one large transaction. The payments were spread over separate smaller increments which, in my judgement, would've appeared less suspicious to Revolut.

The disputed payments were also relatively spread out, having been made over a period of 26 days. And they didn't all sequentially increase in value, for example, the fourth payment (£1,650) decreased from the second and third payments (both £2,000). This isn't usually conducive with the hallmarks of a scam and would, in my opinion, have made the payments appear to Revolut more like normal account activity.

So, having considered the first four payments Mr T lost to the scam, I'm not persuaded, on balance, there was anything unusual or suspicious that ought reasonably to have triggered Revolut's fraud monitoring systems, or that would've indicated he was in the process of being scammed.

Revolut declined the fifth payment (£4,220). This was a high value payment going to a crypto exchange; and I think Revolut acted reasonably here by flagging this payment as suspicious.

Mr T was asked to provide a payment purpose so he could be directed to a tailored written warning. Rather than picking '*to complete a task on a job hiring process*', Mr T selected '*to confirm my account on a third party website*'. He's said he cannot recall why he selected this option, but he confirmed to Revolut that he wasn't being prompted or guided by the scammer. Following Mr T being given warnings by Revolut tailored to the payment purpose he selected, which weren't relevant to his situation, Mr T then unblocked the merchant ('S') and proceeded to make two further payments.

Mr T has argued that Revolut should've asked further questions – as his stated payment purpose was at odds with the payment (that being related to crypto). And because Revolut should've understood that its customers are often coached by scammers on how to respond to warnings.

Mr T also said that asking for the payment purpose alone wasn't a proportionate response; given three payments were made in close succession on 3 February 2024 totalling over £8,000.

Firstly, whilst Mr T confirmed the merchant ('S') for the declined £4,220 payment as legitimate, he didn't attempt it again. So, this amount doesn't form part of Mr T's loss.

The key point for me to consider is whether Revolut provided a proportionate warning to Mr T when it declined the £4,220 payment – and whether it should've been concerned about the responses he provided.

As I've said above, at the time this payment was made, there was a high prevalence and increased variation in crypto related scams. And so, I'd expect Revolut, where a payment is identifiably going to crypto, and a proportionate written warning was warranted - as it was here – to have ensured that this warning asked *specific* questions to establish the actual crypto scam risk.

Mr T said asking for the payment purpose alone was insufficient – but I don't agree. Asking Mr T for this information was just the first stage of the warning; and it enabled Revolut to

direct him to specific tailored warnings based on that payment purpose. This is what I'd expect of Revolut in these circumstances.

But the effectiveness of such a warning relies on the honesty of the customer. And so, I've gone on to think about what options Mr T was presented with when asked the payment purpose; and how they should've resonated with him.

I can see from the communication between Mr T and the scammer that he was completing tasks to earn money as part of an employment opportunity – which – unbeknown to him – was unfortunately a scam. Revolut's warning provided Mr T with the option of selecting a payment purpose of *'to complete a task on a job hiring process'*. I think this should've resonated with Mr T given he'd been engaged in this 'employment' for several weeks by the time the £4,220 payment was attempted.

Further, I can see that from around mid-January Mr T was getting frustrated with the scammer about the process of topping up his account and accessing his job tasks. And that Mr T attempted to make payments towards the scam from another account (with a bank I'll refer to here as Bank B). Bank B spoke to Mr T about a payment on 24 January 2024. And on 29 January 2024 Mr T told the scammer:

'Imagine what I went through, investigated by [Bank B] - case is still open. They called the police who investigated me about what I do and I religiously explained to them that I promote products online. They insisted it is a scam - explained how it works. That was not a good experience'.

So, Mr T had been put on notice by Bank B that he was being scammed. And while I can appreciate his frustrations; considering what he'd been told by Bank B just a few days before attempting the £4,220 payment, I think Mr T should've taken Revolut's warning seriously, and provided accurate information about the situation he was in, so Revolut could've given him specific advice to try and protect him.

I've thought next about whether Revolut should've been concerned when Mr T selected a payment purpose of *'to confirm my account on a third party website'*. But whilst Revolut should've known the payment was crypto related – I don't think it could've reasonably identified from Mr T's response here that he was sending funds as part of a job opportunity. Mr T also confirmed to Revolut that he wasn't being guided – so it had no reason to believe the response Mr T gave wasn't accurate.

And so, I don't think Mr T selecting a payment purpose that didn't accurately reflect the situation he was in should reasonably have put Revolut on notice that he was at risk of financial harm.

In addition to that, the next two payments made on 3 February 2024 were being made to the same payee ('S') that Mr T had unlocked following Revolut's warnings. And given Mr T's account had, by this point, primarily been used for the purposes of crypto (both disputed and undisputed payments) – I don't think, on balance, Revolut's actions in allowing the two £2,110 payments (which were essentially the declined £4,220 payment in two smaller instalments) to be processed without further warning was unreasonable.

In summary, I'm satisfied that Revolut did provide a proportionate warning to Mr T – and had he selected the correct payment purpose – he'd have been presented with specific warnings about job scams. But I think, on balance, it was reasonable for Revolut – based on Mr T's responses - to have been satisfied he wasn't at risk from financial harm.

I also agree with our Investigator that there was no reasonable prospect of Revolut recovering the lost funds at the point it was alerted to the scam.

I appreciate this will likely come as a disappointment to Mr T, and I'm sorry to hear of the situation he has found himself in. However, in the circumstances of this complaint, I do not consider it would be fair and reasonable to hold Revolut responsible for Mr T's loss.

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 T to accept or reject my decision **before 27 December 2024**.

Anna Jackson
Ombudsman