

## The complaint

Ms P complains that Revolut Ltd won't refund money she lost when she was the victim of a scam.

Ms P is represented by a firm I'll refer to as 'R'.

## What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

In 2023 Ms P fell victim to a task-based job scam. She was contacted on an instant messenger application by an unknown person that claimed to work for a recruitment firm – who asked Ms P if they could share her details with an employer to receive detailed information on the job opportunity. Ms P agreed.

Ms P was then contacted by a firm – which we now know to be a scam – that I'll refer to as 'B'. B explained to Ms P that the job entailed increasing the exposure and visibility of products. And to do this, Ms P was required to complete tasks on B's platform that would generate positive ratings for the products. Ms P was told she would need to complete sets of 40 tasks and that it would take 45 to 60 minutes per day. For this, she would receive a commission of *"at least £80-100 or more"* plus a weekly salary of £700 (which would increase after the first week when she became a permanent employee).

As part of the job though, there were 'bonus missions' randomly generated that provided three times the commission. This required funds to be deposited to bring Ms P's account out of a negative balance. Ms P was assured these funds would be returned once the tasks were completed – along with her commission earnings. Ms P received a link to B's platform for her to set up an account. B then provided instructions to Ms P on how she could complete the sets – which included funding the account to complete the 'bonus missions' by purchasing crypto. Ms P opened a Revolut and went on to make the following payments from it to the scam via a legitimate crypto provider and a peer-to-peer crypto purchase:

Date	Type	Amount
4 March 2023	Faster payment	£7,200
5 March 2023	Faster payment	£1,000
6 March 2023	Faster payment	£4,046
	<b>Total</b>	<b>£12,246</b>

There were also the following unsuccessful payments attempted, with the funds returned by the crypto provider:

Date	Type	Amount
2 March 2023	Faster payment	£7,200
3 March 2023	Faster payment	£7,200
5 March 2023	Faster payment	£2,500

Ms P realised she'd been scammed when she was unable to withdraw her funds.

R complained on Ms P's behalf to Revolut in March 2024 saying the payments were made as part of a scam. In short, they said:

- The account activity was out of character and had Revolut intervened in line with industry standards, the scam would've been exposed thereby preventing any further financial loss.
- Ms P should be refunded under the Contingent Reimbursement Model (CRM) code.
- It is understandable why Ms P felt this job opportunity was real and believable – as she reviewed B's website which appeared professional, she didn't find anything negative from an internet search, and she was also able to start with small payments and make withdrawals. Furthermore, Ms P was added to an instant messenger group with other freelancers sharing success and received professional onboarding.
- The scammers were in constant contact with Ms P, and she was unfamiliar with working from home and this type of work offered. And the contact first came from a 'recruiter'.
- Revolut should be on the lookout for this type of scam to prevent their customers from foreseeable harm.
- If Revolut had intervened by asking open probing questions, the scam would've been exposed, and the spell of the scammer would've been broken.
- Revolut should refund Ms P and pay 8% simple interest.

Revolut didn't uphold the complaint. In short, they said:

- They launched a request to freeze and retrieve the funds from the beneficiary's account within 24 hours of the scam being reported. This process is bound by the cooperation from the beneficiary bank and the recovery of funds isn't guaranteed. This recovery process was still ongoing, but they would inform Ms P in the case of a positive outcome via their chat function.
- They detected the payments were being made to a new beneficiary and displayed the following message:

*"Do you know and trust this payee? If you're unsure, don't pay them, as we may not be able to help you get your money back"*

As Ms P acknowledged this warning, she was free to continue with the transfer.

- They also showed a message informing Ms P that the transfers were riskier than most transactions. And they asked about the purpose of the payment, whether someone was pressurising Ms P into making the payment or if she'd been called unexpectedly. After this form submission, they put Ms P in touch with their support team – where she confirmed she wanted to proceed with the transfers.
- In addition to this, they showed a message about the purpose of the payments, followed by educational screens regarding the type of potential scam. After these warnings, Ms P was free to continue with her transactions.
- In addition to system-based fraud protection, they also inform customers about scams and prevention tips through email and blogs – and provide updates on their fraud and scam hub.
- They weren't at fault for processing the transfers that Ms P authorised in the form and procedure agreed in the terms and conditions for giving consent to execute payments from her account.
- They're not liable for these transactions, they treated Ms P fairly and they fulfilled their duty to protect her by providing sufficient warnings and trying to recover the funds.

The complaint was referred to the Financial Ombudsman. Our Investigator didn't think Revolut were responsible for Ms P's losses. She thought Revolut should've spoken with Ms P before processing the £7,200 payment – that was successfully processed – on 4 March 2023. But even if they had, she didn't think this would've made a difference. This was because she didn't think Ms P correctly answered questions put to her by both Revolut and another bank that was part of the multi-stage scam (which I'll refer to as 'L'). And she also noted that Ms P circumvented payment restrictions L put in place, as they stopped a payment to a crypto provider, by forwarding the funds to Revolut so that it could be sent to the scam. Our Investigator thought this showed Ms P was highly motivated to make the payments.

R disagreed and, in short, they said:

- Banks need to ask open, probing questions when intervening and they need to hold up customers' answers to a reasonable level of scrutiny.
- Ms P wasn't intentionally dishonest and shouldn't be held liable for selecting an imperfect payment purpose. Instead, what is more likely is that, due to Ms P's inexperience with crypto and remote work, she didn't understand the best option to select or the importance of choosing the most appropriate answer (regarding payment purpose).
- Selecting 'investment' was an appropriate answer given she was making payments to crypto and wasn't completely inaccurate.
- This demonstrates Ms P wasn't trying to mislead but demonstrates that Revolut's in-app transfer warnings are ineffective. And a customer choosing a 'non-perfect' payment purpose cannot be used to absolve Revolut from liability.
- Similarly, for the questionnaires, Ms P's responses were inaccurate rather than dishonest due to the nature of the questioning – which were poorly phrased.
- This is also what happened with L – with her answering their questions honestly and

to the best of her ability.

- It is an unfair conclusion to say that as L's intervention was ineffective, an intervention by Revolut would've been too due to Ms P being determined to make the payments – so much so that she would've ignored scam warnings. This is because L's warnings were only generic and there wasn't any detail provided to Ms P about how she could protect herself, how crypto scams work, what red flags to look out for and the types of scams were happening at that time.
- The intervention carried out by Revolut was insufficient. A proper intervention would have uncovered the scam:
  - There's no reason why an effective intervention with open questions wouldn't have uncovered the scam as at no point did Ms P mislead anyone.
  - This was a newly opened account with attempts to send large amounts of money to multiple new payees and high-risk crypto providers – with large sums entering Ms P's account and immediately being spent. This paints a highly concerning picture of account activity that is indicative of multistage fraud that warranted a human intervention.
  - 'something else' as a payment purpose should also be subject to an even higher level of scrutiny. Yet Revolut only gave a generic online warning which was wholly unsuitable.
  - Revolut shouldn't have taken Ms P's answers at face value and, as she hadn't been given a detailed cover story or coached through the questionnaires, she would've told Revolut that she was making the crypto payments for a remote work opportunity. But even if Revolut followed a similar line of questioning as L, and received similar unclear answers, they should've been concerned enough to block the payments (as L did).
  - Questions and warnings related to a job/task scam should've been factored into any intervention. And at the time of these payments, Revolut should've been on the lookout for these job/task scams due to their prevalence – with Revolut having likely received a significant number of job scam complaints by this point.
  - A proper intervention would've involved some adaption in response, not just an agent reading from a script. And it would've uncovered hallmarks of a job/task scam which would've prevented Ms P's loss by a specific tailored warning given.

The 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.

I'm sorry Ms P has lost a significant amount of money and I don't underestimate the impact this has had on her. But while I know this won't be the outcome she is hoping for, I don't think Revolut has acted unfairly by not refunding her loss for similar reasons to our Investigator. I'll explain why.

Before I do, I want to reassure Ms P that I've considered everything R has submitted on her behalf. And so, while I've summarised this complaint in far less detail than what has been

provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether Revolut is responsible for the loss Ms P suffered to the scam.

These payments aren't covered by the CRM code – which can offer a potential means of obtaining a refund following APP scams - as Revolut isn't a signatory of it. I've therefore considered whether it would otherwise be fair and reasonable for Revolut to reimburse Ms P.

In broad terms, the starting position in law is that an Electronic Money Institution (EMI) is expected to process payments that their customer authorises them to make. Here, it isn't disputed that Ms P knowingly made the payments from her Revolut account and so, I'm satisfied she authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of her account, Revolut are expected to process Ms P's payments, and she is presumed liable for the loss in the first instance.

However, taking into account regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

Here, Revolut provided online warnings to Ms P when sending payments to new beneficiaries – which she received twice before the first successful payment of £7,200 on 2 March 2023. Revolut also, before this payment, provided Ms P with educational warnings based on the payment purposes she selected – which included 'crypto currency' and 'something else'. The payment purposes selected by Ms P generated fraud prevention questions, which was followed by her being referred to speak to Revolut in their in-app chat function.

Given Revolut spoke with Ms P, they had an opportunity to establish whether she was at risk of financial harm from fraud when making the £7,200 payment. And considering the prior account activity attempted, the change in payment purposes selected and that the account was opened by Ms P for the purpose of 'spending abroad' and 'smart delay', I consider it was appropriate for Revolut to carry out additional checks before processing the £7,200 payment. I've therefore considered whether their intervention was sufficient and, if not, if it had been, would this have prevented Ms P's loss.

Looking at Revolut's questioning of the £7,200 payment, it seems that it was primarily directed towards the risk of safe account and crypto investment scams. I think it was somewhat understandable for Revolut to focus questioning on these risks as, although job scams involving crypto at the time had been on the rise, they weren't as prevalent as they are now. And as Mr P had selected 'something else' as the payment purpose, with it going to a well-known crypto provider – although Revolut should've been open to the possibility of other types of scams. That said, Revolut's questioning was close ended and didn't allow for Ms P to explain the underlying circumstances of the payment. And so, I think Revolut could've done more to better understand why Ms P was making it and how the opportunity arose.

I've therefore considered whether, had Revolut done this, the scam would've been uncovered, and Ms P's loss prevented. While I know R disagrees, I don't think it would. I'll explain why.

When considering this, I've taken into account Ms P's interactions with L and B. And by the point of the Revolut transactions, I'm satisfied that there are clear signs of coaching in the

instant messaging conversations. For example:

- B told Ms P that *"All I could do was make up a lie to fool them [the bank]. Otherwise they won't transfer money to me. Although this is not correct. But it's the only way."*

Ms P replied *"Yeah they don't seem to trust cryptocurrency"*

And B further added *"It's true. I used to tell them that my family needed the money, so I had to transfer it to them...If it does lock again. You can tell them that I need to give my family money to buy a house. This was the reason I had used before before they gave me a pass"*.

Ms P then told B *"I said debt repayment so let's see...they don't believe me"*.

And B advised *"You can get angry and say, 'This is my money, why can't I use it?"*

To which Ms P replied, *"Did that too"*

- In response to Ms P saying *"First I convince the bank that B is not trying to rob me"*, B told her *"First of all you can't tell the bank that you are working for B or anything like that, because it will only make the bank believe you even less. You can only talk to them about how you need money for your family and so on before they can relax. I was saying the same as you before. He froze my money straight away for about a month...The police got involved in the investigation and the paperwork was a pain in the ass, which is what happened to me when the company had to step in. That's why I still work for this company and need to return a favour. That's why I don't want this to happen to you...What started out as a small thing ended up being a big deal for me. My past experience is like a joke that I'm too scared to talk about"*

Ms P shortly later said *"More than the bank I feel bad about the money I took from your three"*

B then reassures Ms P by saying *"You don't need to worry about that. We are genuinely trying to help you get through this, that's why. All we can do is to solve the problem"*

- Miss P says *"Revolut wants to chat with me. They think this is a scam."*

B replies *"Yes, you can, see what he says to you, you can talk to me again and I will teach you how to answer him"*.

From this, I'm satisfied that Ms P was being directed by the B how to avoid both L and Revolut restricting her accounts to ensure payments could be made. It also appears to me that Ms P fully trusted B as there weren't any doubts or questioning about the advice she was being given. Instead, it seems she fully accepts what she was being told due to being 'under the spell' of B.

I'm also mindful that Ms P spoke with L on four occasions in respect of the payments she was trying to make to a crypto provider. And in the final call, despite questioning why she was making the payment and how she decided on the crypto provider the funds were being sent to, Ms P didn't provide accurate information but withheld the true circumstances of what was happening (due to, it seems, coaching from B). Further to this, even though L put a block on a crypto payment Ms P was trying to make, she circumvented this by sending the funds to Revolut.

I can't be certain what would've happened had Revolut questioned Ms P about the payment as I would've expected. Instead, I need to decide, on balance, what I consider would've most likely happened. And taking into account the above, I'm not persuaded that additional checks would've necessarily uncovered the scam or that tailored crypto warnings would've prevented Ms P from going ahead with making the payments.

But rather, I think it's most likely that Ms P would've misled Revolut about the true circumstances of the payment. And even if Revolut had asked questions that Ms P might have struggled to answer due to her own crypto inexperience, I think it's likely she would've directed it to B for support as she was advised. Because of this, I don't think I can reasonably conclude that Revolut ought to have uncovered the scam. And any crypto scam warnings, based on what Ms P was willing to disclose to Revolut, would've likely addressed the key risks and features of the most common crypto scams – crypto investment scams. Unfortunately, these wouldn't have been relevant to Ms P's situation and so, I don't think they would've resonated to the extent whereby she wouldn't have gone ahead with the payment(s).

I've thought about whether Revolut could've done anything to recover Ms P's loss when the scam was reported. But given Ms P had purchased crypto legitimately and forwarded this onto B as part of the scam, there wouldn't have been any funds to recover. And so, I don't think Revolut could've recovered Ms P's loss.

I'm sympathetic to Ms P's situation as I realise she's suffered a significant financial loss. But it would only be fair for me to direct Revolut to refund her if I thought they were responsible for her loss – and I'm not persuaded that this was the case. For the above reasons, I think Revolut has acted fairly and so I'm not going to tell them to do anything further.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 29 May 2025.

Daniel O'Dell  
**Ombudsman**