

The complaint

Miss P complains that Revolut Ltd has declined to reimburse payments she made as part of a scam.

What happened

As the facts are well-known to the parties, I'll summarise them briefly.

Miss P was contacted on a messaging app about a job opportunity – this involved purchasing and sending on cryptocurrency in order to complete tasks online and earn commission.

Over the course of a few days in October 2023, Miss P made several card payments to a cryptocurrency platform and peer to peer transfers as part of this scam. In total she has lost around £9,000.

When Miss P initially raised the matter with Revolut it declined to provide a refund on the basis that it had done what it could to try and recover her funds.

Miss P referred her complaint to our service via a professional representative. They argued that Revolut ought to have identified from the account activity that Miss P was at a heightened risk of being the victim of a scam, and that a proportionate intervention would have brought the scam to light and prevented Miss P's loss.

Revolut says that the payments were all authorised and that it did intervene in some of them, including providing warnings. It says it tried to recover some of the transfers but was unsuccessful, and that a chargeback wouldn't have been successful in the circumstances.

The investigator didn't uphold the complaint – in summary they thought that while Revolut ought to have intervened in one of the later payments, they weren't persuaded this would have prevented Miss P's loss. They thought it was more likely that Miss P would have misled Revolut about the true purpose of the payments and so it wouldn't have been able to identify the scam Miss P had fallen victim to. So, they didn't think an intervention would have stopped Miss P from wanting to continue to with the payments.

Miss P's representative didn't agree – in summary they said:

- Revolut should have identified a heightened risk to Miss P on more payments than it did, and an appropriate intervention would have uncovered the scam.
- While Miss P sought some guidance from the scammer in relation to functional help in making the payments, she wasn't coached to mislead Revolut. She would have been honest if Revolut had asked her open-ended questions.
- A relevant payment purpose option was not present for all of the payments and Miss P attempted to select the right one (although she did select "safe account" by mistake on one occasion).

As an agreement couldn't be reached, the matter has been passed to me for a decision 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.

Having done so, I'm not upholding this complaint for similar reasons to the investigator.

I note Revolut initially raised concerns about our service's jurisdiction to consider the payment where Miss P exchanged her funds into cryptocurrency before withdrawing it. The investigator addressed this in their view and neither Revolut or Miss P's representative raised any further points on this issue and so I have taken this as their agreement with our service's position on this point. For the avoidance of doubt, I agree that I can make a finding on whether Revolut ought to have done more to identify and prevent the scam Miss P fell victim to in relation to deposits into the account, the subsequent exchanges and fiat currency payments, but not the cryptocurrency withdrawal.

It's common ground that Miss P authorised the disputed payments as part of a cruel scam.

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

But, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in October 2023 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had 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). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multistage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

With this in mind, I'm satisfied that Revolut ought to have recognised that Miss P was at a heightened risk of financial harm from fraud based on the information it held about the

account activity and payments. However, I'm not going to go into detail in relation to when and why I think Revolut ought to have done more because I'm not persuaded that if Revolut had intervened further that it would have prevented Miss P's loss.

Where evidence is missing, incomplete, or contradictory I need to make a finding on the balance of probabilities. That is, what I think is more likely than not to have happened based on what I do have. Given what we know about how Revolut communicates with its customers, a direct discussion to establish more about the circumstances of the payments would have likely taken place via it's in app chat function. I appreciate we can never be certain how such a chat between Revolut and Miss P would have unfolded, but on balance I'm not persuaded this would have led to Revolut identifying the scam Miss P had fallen victim to or led to her not making the payments for the following reasons.

- When Miss P made the payments, she was guided by the scammer in doing so – I say this because Miss P told Revolut *“he every time walked me through steps to send payment”* and the messages we do have between Miss P and the scammer show her sharing screenshots of the questions Revolut was asking her, and the scammer responding with the option she should select.
- I don't think the fact that on one occasion Miss P selected a different payment purpose than recommended by the scammer is meaningful given she's said this was a mistake.
- When asked if she was being assisted in making the payments, Miss P answered that she wasn't. Even if the above-mentioned guidance from the scammer was purely functional, it still amounts to being assisted and I think it would be reasonable to expect most people to appreciate that. So, I'm not persuaded that Miss P didn't realise she was giving inaccurate answers to Revolut, even if she didn't appreciate the risk this presented.
- When the investigator asked why Miss P selected that she wasn't being assisted, she said *“At the time I wasn't aware that I was being scammed. I had already put a sum of money into it.”* And *“Obviously, it happened a long time ago and I don't remember the exact word but I remember the pressure I was in to get this done. I know now I have been manipulated.”* I can also see from the messages that there was an element of time pressure involved in relation to Miss P needing to make the payments. From what she's described and based on how these types of job scams often unfold, there is an element of pressure that the victim will lose the money they have already put into the scam if they don't pay in more, but the belief that if they are able to pay more and complete the task they will receive their money back alongside their commission. So, I think it's likely that Miss P was motivated to give answers to Revolut that would have facilitated her being able to make the payments.
- While I appreciate Miss P selected moving money to a safe account, and that this ought to have been treated as high risk, Miss P has confirmed this was a mistake. As we know this wasn't the scam Miss P had actually fallen victim to, this is likely why the warnings Revolut provided had no impact. On balance, I think it's more likely than not that had Revolut engaged in a chat with Miss P about this payment, she would have clarified that she had selected that option in error. I'm not persuaded she would have volunteered the true purpose of the payment, even in response to open questions. This is because I think it's more likely that she would have sought guidance from the scammer about the answers to give. I say this based on her past behaviour and the reasons I've previously covered about why I think Miss P was manipulated into wanting the payment to be made successfully.

- While not an option for the transfers at the time, when Miss P was asked the payment purpose for a card payment (early on in the scam) Revolut has said one of the options was “*completing a job application task*” – here Miss P selected “*making non-crypto investments*”. I appreciate Miss P has said she chose what she thought was accurate and didn’t intend on misleading Revolut, but I don’t think it would be reasonable not to find this indicative of what Miss P would likely have said the payment was for had Revolut probed further on this or other payments.
- I recognise the points that have been made about Miss P not having been given a cover story, but for the reasons I’ve explained I think it’s more likely than not that Miss P would have been guided by the scammer in relation to any intervention by Revolut. And as I don’t think Revolut would have been able to identify that Miss P was the victim of a job scam without her sharing information with it about the true purpose of the payments, I don’t think Revolut could have given a relevant warning to her. I therefore don’t think any further intervention by Revolut would have led to it providing a warning that resonated with her such that she would have not continued to make the payments.

I’d like to clarify that I’m not suggesting Miss P is a dishonest person. Rather that the evidence indicates that she was being manipulated as part of a scam, and that as part of this I think it’s likely she would have been tricked into misleading Revolut believing this was necessary to avoid losing a substantial amount of money.

I’ve also considered whether Revolut could have done anything more to recover Miss P’s loss once she had reported the scam. As Miss P received the goods/service in relation to the card payments, Miss P wouldn’t have had grounds for a chargeback in the circumstances. The transfers appear to have been peer to peer cryptocurrency purchases and as there’s no dispute that Miss P received what she paid for, it’s unlikely Revolut would have had grounds to recover these funds either.

My final decision

My final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss P to accept or reject my decision before 13 June 2025.

Stephanie Mitchell
Ombudsman