

## The complaint

Mr S complains Revolut Ltd didn't do enough to protect him when he was falling victim to a scam. He further complains Revolut hasn't refunded him since the scam came to light.

## What happened

The background to this complaint is well-known to both parties, and so I'll keep my summary of events brief.

Mr S has said he was looking for employment around the start of October 2023. He was then not unsurprised when he was contacted by someone purporting to be from an employment agency. What Mr S didn't realise, was that he'd been contacted by a scammer.

The scammer told Mr S they had opportunities available to work online, from home. The job would involve carrying out a series of review tasks for which he would earn both commission and a base salary.

Mr S has explained how he was given access to what he's described as a very convincing and sophisticated platform. He was also invited to WhatsApp groups which appeared to be populated with other employees performing the same role.

Mr S was told that he'd need to fund his account with the employer in order to generate tasks. Once the tasks were complete it was Mr S' understanding he'd be reimbursed. Funding the account required the transfer of cryptocurrency to a wallet specified by the scammers. Convinced all was genuine, Mr S followed the instructions of the scammer. He began reviewing the tasks allocated to him, and paying across the cryptocurrency required to fund them. He's explained how he was able to successfully withdraw earnings, which made the scam even more convincing.

Over time, Mr S found he was being given more and more tasks which required an ever-increasing sum to be paid to his account to cover them. Mr S kept making payments until he ran out of money. Some payments were made by card to Mr S' cryptocurrency wallet. Others were direct cryptocurrency payments from the account, made after fiat currency had been converted within his Revolut account. He got to the point where he was applying for loans to finance his employment account.

Mr S has said he finally realised what was wrong when he approached his brother for a loan of £10,000. He says his brother brought him to his senses, explaining he was caught up in a scam. He then went on to report what had happened to Revolut.

By this time the following account activity had taken place:

Date	Activity	Amount
7 October 2023	Payment to Mr S' cryptocurrency wallet	£1,000
7 October 2023	Payment to Mr S' cryptocurrency wallet	£3,300
7 October 2023	Payment to Mr S'	£5,000

	cryptocurrency wallet	
8 October 2023	Conversion from fiat to cryptocurrency	£4,000
10 October 2023	Conversion from fiat to cryptocurrency	£300
11 October 2023	Conversion from fiat to cryptocurrency	£1,000
11 October 2023	Conversion from fiat to cryptocurrency	£150
11 October 2023	Conversion from fiat to cryptocurrency	£1,500

It should be noted here that I've only included the conversion of the fiat currency to cryptocurrency here, and not the cryptocurrency withdrawals that followed. I will explain why later in this decision.

Revolut considered what had happened but said it wouldn't be able to return any of Mr S' losses. It said it had followed the correct procedures from its side and that it had insufficient evidence from Mr S to reach any other outcome.

Mr S then referred his complaint to our service. One of our investigators considered the complaint and said Revolut needn't reimburse any of Mr S' losses. He felt that Revolut ought to have intervened when Mr S was making the second payment on 7 October 2023. But he wasn't persuaded an intervention would have prevented the scam, given the wider circumstances at play.

Mr S disagreed with the investigator's finding and asked that an ombudsman review the complaint.

### **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 it. I'll explain why.

I'll start by saying that I do not doubt that Mr S has been the innocent victim of a cruel scam here. I know he believed he was engaged in something legitimate, with a view to bettering his life. Nor do I doubt the impact this loss has had on him, not only financially, but mentally and emotionally too. But, having considered all the evidence available to me, I can't say Revolut ought to bear the burden for Mr S' loss.

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 multi-stage 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.

While I think Revolut ought to have recognised that Mr S was at heightened risk of financial harm from fraud when making these payments, I don't think any proportionate intervention by Revolut would have prevented his loss. I'll explain why.

There are arguably two points at which Revolut ought to have intervened here, and in different ways. The second payment made on 7 October 2023 warranted a tailored written warning being delivered, derived from the asking of some automated questions. When the third payment was made on the same day, Revolut ought to have enacted a direct human intervention. That would most likely have taken the form of directing Mr S to the in-app chat function.

I can see Mr S' Revolut account was funded from accounts he held elsewhere. One of the firms which holds one of his other accounts did intervene in the payments Mr S was making. This was also on 7 October 2023. Mr S discussed a payment of £6,000 he was making from that account to his Revolut.

Whilst the bank's agent asked a number of relevant questions as to the purpose of Mr S' payments, Mr S acted to disguise his true intentions. It's not entirely clear why that was. There had been some coaching from the scammer, evident in the WhatsApp conversations, but that was limited. But this shows Mr S was willing to act in a way as to obscure his true intentions when questioned by one of his account providers.

I've discussed this call, and his associated actions, with Mr S. He has said this intervention came too early on in the scam; he was too hooked in at that stage. He's explained just how convincing the scam was, referencing the sophisticated platform and the ability to make withdrawals.

It then follows that the same would have been true of intervention from Revolut at the same time, and that Mr S would have wanted to continue regardless of what it might have said. It's important to note here that this call with Mr S' other account provider took place at the same time as I've said Revolut ought to have stepped in.

There is further evidence to support that Mr S would have continued too. And whilst I find the call I've described and Mr S' own comments compelling enough on their own, I'll explain some of the other evidence I've considered.

It's evident there were payments being blocked and interventions elsewhere too. Mr S' cryptocurrency wallet providers had started to block the activity he was engaged in for the purpose of scam prevention. This was on 7 and 8 October 2023. Mr S relayed this information to the scammer. But Mr S sought new ways to continue to send money at the scammer's instruction, including changing to direct cryptocurrency payments.

The WhatsApp conversations with the scammer show that Mr S was highly committed to staying involved with the scam after the point at which I think Revolut ought to have intervened. And this was at a point when he had clearly grown very suspicious as to what was happening, and strongly suspected it was all a scam. This is supported by the content of the WhatsApp messages:

*12 October 2023, 17:36: Because when I ask for funds everyone I know tells me it's a scam*

*13 October 2023, 11:46: I knew from the beginning but I followed money*

*13 October 2023, 11:46: Like an idiot*

It is the case that Mr S didn't make any further payments at this time. The last payment (a cryptocurrency transfer) made to the scammer was at 13:36 on 12 October 2023. But it's also evident Mr S was still heavily engaging with the scammer, and looking for ways to pay more toward the scam. There were applications for loans and requests to family and friends for money. That's despite the various warnings and account blocks, and Mr S' own evident misgivings. The attempts to find more money appear to go through until 14 October 2023.

Mr S has said it was after these loan applications that his brother brought him to his senses. But, again, it's important to highlight this is long after the point at which I think Revolut needed to act.

I have also considered the activity that came after the fiat payments on 7 October 2023. This is when Mr S switched to converting fiat currency (GBP) in his account into cryptocurrency and then sending that on.

The sending of cryptocurrency from Mr S' account isn't a regulated activity and so it's not something I can consider as part of his complaint. The taking of deposits is, and the conversion of those deposits into cryptocurrency can be said to be ancillary to the depositing of funds. So I can look at that activity specifically. But I find the result of considering this activity is much the same as the findings I've already described.

The conversion to cryptocurrency is a very different activity to that of sending money out of an account to a cryptocurrency platform. I wouldn't expect Revolut to connect the two.

It's also the case that the majority of the conversions aren't of such significant a value that I'd expect any more than a written warning. I've already explained why I don't think Mr S would have reacted differently to such a warning. And I can see Mr S was discussing the ongoing financing of the tasks with the scammer, being encouraged and supported by them, which was evidently very convincing to Mr S at the time.

With all of this in mind, I'm not persuaded the scam would have been avoided even had Revolut stepped in at the times and in the manner I've set out here. And so I can't fairly and reasonably say it ought to now bear responsibility for Mr S' loss.

I've also thought about whether there was anything Revolut could have done to recover Mr S' money. But all the payments were made to cryptocurrency wallets which meant they were irrecoverable, through a debit card chargeback or any other means.

I'm sorry Mr S has been the victim of such a cruel scam, which seemed so legitimate at the time. But this is a complaint I'm not able to uphold.

### **My final decision**

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 6 June 2025.

Ben Murray  
**Ombudsman**