

## The complaint

Mr T is being represented by a claims manager. He's complaining about Revolut Ltd because it declined to refund money he lost as a result of fraud.

## What happened

Sadly, Mr T fell victim to a job scam. I understand he was looking online for work when he received a message from someone claiming to be a recruiter. He was then put through to a mentor who explained how the role worked, essentially that he had to pay with cryptocurrency to access work tasks for which he'd be paid on completion. Mr T stopped making payments after he realised it was a scam.

Between 5 June and 6 August 2023, Mr T made more than 30 card payments to cryptocurrency exchanges from his Revolut account for amounts as high as £5,000 with a combined total outlay of more than £75,000.

Our investigator didn't recommend the complaint be upheld. While he felt Revolut should have done more to establish the circumstances of the payments before processing all of Mr T's instructions, he didn't think any further intervention would have uncovered the scam or stopped him going ahead. This conclusion was predominantly based on how Mr T responded to interventions from his own bank when transferring money to his Revolut account to fund these payments to the cryptocurrency exchanges.

Mr T didn't accept the investigator's assessment and made the following key points:

- The bank's intervention was a strong one, but it didn't address job scams specifically. Further, it was *'bungled'* with Mr T feeling accused rather than protected.
- The only coaching Mr T received from the scammers was to make smaller payments.
- Mr T didn't feel like he was lying to his bank. He said he was intending to use the money he was transferring for a car. He was going through a lengthy court case at the time after he was sold a faulty car and actually intended to use some of the money to pay for this.
- An appropriate intervention from Revolut wouldn't necessarily have led to the same result.

The complaint has now been referred to me for review.

## 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've reached the same overall conclusions as the investigator, and for broadly the same reasons. I haven't necessarily commented on every single point raised but

concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

In broad terms, the starting position at law is that an Electronic Money Institution (EMI) such as Revolut is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

In this case, there's no dispute that Mr T authorised the payments.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Revolut also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr T.

### *The payments*

Having considered what it knew about them at the time it received the payment instructions, I'm persuaded it ought to have identified Mr T may be at risk of harm from fraud. I say this because there was a high volume of payments in a relatively short space of time and some of the amounts involved were also large, both overall and in some of the individual payments. Further, they were going to cryptocurrency exchanges, which Revolut should have known carries a higher risk of fraud.

Revolut has said it showed generic scam warnings in connection with a small number of the payments. But I don't think this was enough. In view of the risks these payments presented, I think a proportionate response to those risks would have been for Revolut to have contacted Mr T, most likely through its in-app chat, to ask about the circumstances in which they were being made. And I think that intervention should have taken place as early as 11 June when he made four payments totalling over £8,000 on the same day.

I've thought carefully about whether such an intervention would have been successful in stopping the scam but, on balance, I don't think it would have been likely to make a difference. This is largely based on how Mr T responded to enquiries from his bank over the phone about money he was transferring to Revolut to fund these payments. I've particularly referred to a call on 23 June 2023 that was prompted by a payment of £6,500.

When he was asked what the transfer was for, Mr T specifically said around £4,000 was to pay a '*deposit*' for a car but I don't think the evidence supports any assertion now being made that this was somehow correct. Mr T appears to be saying he was intending to use the money to fund a court case about the receipt of a faulty car and didn't therefore answer incorrectly. But I'm not persuaded by this. Paying to fund a court case about a car is different

to paying a deposit. Further, the court documents provided show proceedings began several months before these payments, so any deposit on that car would presumably have been paid much earlier.

Mr T was also asked what the rest of the money being transferred was for and he said it was to remain in another account pending a meeting about what he was going to do with it. He did however specifically say that the money wasn't for a business or to purchase cryptocurrency. Again this wasn't correct and I think the chat history with the scammer clearly shows the sole purpose of the payments to Revolut was to fund the scam.

After listening to both calls with the bank, I didn't find its agents were in any way accusatory or aggressive. I think they were clear about the reasons for their questions and handled the calls in a professional and courteous manner. I'm satisfied the agents gave Mr T ample opportunity to explain the real reason for the payments he was making. But as he didn't do so, the bank wasn't able to identify what type of scam was taking place or provide a tailored warning relating to job scams. Nonetheless, the agent did explain that he was concerned this was part of a scam and declined to authorise the payment until Mr T had visited a branch to discuss the reasons for it further.

Unfortunately, we don't have detailed notes about what was discussed when Mr T did visit a branch. But he told our investigator that he continued to say the payment was for '*a car and investing*'. So again, it seems clear he wasn't accurate with his answers.

I note Mr T says he didn't feel that he was misleading the bank, but I think the available evidence shows he should have known the answers he gave to its agent weren't correct. Only Mr T really knows why he didn't disclose the real reason for the payment, but I think the chat history with the scammers shows he was looking to them for advice about what he should be saying. The scammer warned him that banks are '*trouble*' and said they try to stop legitimate transfers because they'd rather money stayed in their accounts where they can profit from it. In addition to coaching he received to make smaller payments instead of transferring large amounts in one go, the chat history shows Mr T was asking for advice about what he should say to the bank about the payments. The chat from 23 January shows he was actually messaging the scammer while he was on the phone with the bank and made the following comments:

*Just on the phone to the bank*

*Trying to explain myself*

*What do I say to them*

*They're being bullish about not allowing me to move my money*

*My bank won't let me make the transaction*

*I need to talk to you*

*I'll have to go into my bank explain myself*

*They're asking me a lot of questions*

*Help me out in what I say*

In response, the scammer said:

*Kindly share with me some of the questions*

*Then I will help*

There's nothing in the chat extracts I've seen to show the scammer told Mr T exactly what he should say to the bank after he asked for help, although it is possible that occurred in a different chat or on a phone call. But either way, I think this evidence clearly demonstrates Mr T's intent, with the scammer's encouragement, not to provide accurate information about what he was doing and to proceed with the payment.

On the basis that Mr T didn't accurately explain why he was making payments to his Revolut account, I don't think the bank could reasonably have been expected to identify what type of scam was taking place or to provide a tailored warning. In my view, the bank carried out appropriate interventions, particularly in relation to the payment of £6,500 and that the reason the scam wasn't stopped at this point was because Mr T answered its questions incorrectly rather than this being down to any failing on the bank's part.

I appreciate there's no guarantee an intervention by Revolut would have turned out the same way. But I can't see any reason why Mr T would have answered any questions from Revolut differently and, on balance, I think it's likely he'd have responded in a similar way. In that scenario, I don't think Revolut would have been expected to identify what type of scam was taking place or provide a tailored warning about job scams either.

I want to be clear that it's not my intention to suggest Mr T is to blame for what happened in any way and his representative has explained why he believed the opportunity being offered to him was genuine. He fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why he acted in the way he did. But my role is to consider the actions of Revolut and, having done so, I'm not persuaded these were the cause of his losses.

### *Recovery of funds*

I've also looked at whether Revolut could or should have done more to try and recover Mr T's losses once it was aware that the payments were the result of fraud.

Mr T transferred funds to a cryptocurrency exchange and an account in his own name. From there, he purchased cryptocurrency before moving the money onto the scammers. Revolut could only try to recover funds from Mr T's own account and it appears all the money had already been moved on. But if not, anything that was left would still have been available to him to access. So I don't think anything that Revolut could have done differently would have led to these payments being successfully recovered.

### *In conclusion*

I recognise Mr T has been the victim of a cruel scam and I'm sorry he lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I don't think any further intervention by Revolut would have made a difference to the outcome and I won't be telling it to make any refund.

### **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 Mr T to accept or reject my decision before 28 April 2025.

James Biles  
**Ombudsman**