

The complaint

Mr S is unhappy that Revolut Ltd (“Revolut”) won't refund the money he lost to job scam.

What happened

In December 2023, Mr S came across a remote job opportunity which involved completing tasks for commission. Mr S signed up to the job platform where he would complete his tasks and he could see his commission building up. Mr S was then assigned a set of ‘combination’ tasks, he was told attracted higher commission but also caused his balance on the job platform to turn negative. Mr S then needed to clear the negative balance by way of a deposit in cryptocurrency in order to unlock further tasks and earn the commission.

As a result of the scam Mr S made the following payments to purchase genuine cryptocurrency either via individuals on the peer-to-peer market or by providers B, M and C.

Date	Type	Amount
22/12/2023	Faster payment to IK	£1,815
22/12/2023	Card payment to Cryptocurrency B	£90
22/12/2023	Faster payment to MK	£5,010.15
22/12/2023	Faster payment to MK	£500
22/12/2023	Transfer to BM	£1,500
22/12/2023	Card Payment to Cryptocurrency M	£1,500
22/12/2023	Card payment to Cryptocurrency B	£1,000
22/12/2023	Card payment to Cryptocurrency B	£600
23/12/2023	Card payment to Cryptocurrency B	£1,000
23/12/2023	PayPal Cryptocurrency C	£1,000
23/12/2023	Card payment Cryptocurrency C	£1,500
23/12/2023	Card Payment to Cryptocurrency M	£1,000
23/12/2023	Card Payment to Cryptocurrency M	£1,000
23/12/2023	Card Payment to Cryptocurrency M	£161.95
03/01/2024	Transfer to Cryptocurrency B	£2,500
03/01/2024	Transfer to Cryptocurrency B	£2,500
03/01/2024	Transfer to Cryptocurrency B	£3,000
03/01/2024	Transfer to Cryptocurrency B	£2,500
03/01/2024	Card Payment to Cryptocurrency M	£1,500
04/01/2024	Transfer to Cryptocurrency B	£2,000
04/01/2024	Card payment Cryptocurrency C	£1,000
04/01/2024	Transfer to Cryptocurrency B	£1,500
04/01/2024	Exchanged to USDT	£2,526.23
07/01/2024	Exchanged to USDT	£2,000
08/01/2024	Exchanged to USDT	£2002.00

Greyed out payments were either declined or failed.

The cryptocurrency was placed in wallets in Mr S's own name and from there he transferred the cryptocurrency to what he thought was the job platform but unbeknown to him at the time was actually going to the scammer. Mr S followed the instructions of the scammer until the deposit amounts became too high and then he realised he'd been the victim of a scam. Revolut declined to refund Mr S. So he brought a complaint to our service.

Our investigator upheld the complaint in part. She felt by the seventh successful payment (£1,000 to M on 23 December 2023) Revolut ought to have recognised that Mr S was at risk of financial harm from fraud. She considered Revolut should have intervened, and staff should have asked questions about the payments Mr S was making in order to attempt to narrow down the specific scam risk. However, she also felt it was fair for Mr S to share in the responsibility for his loss and therefore it was fair for Revolut to reduce the refund on the transactions (from the £1,000 to M on 23 December 2023 onwards) by 50%.

Mr S accepted the view, but Revolut did not accept the outcome. It said these were self-to-self-payments and the fraudulent activity did not occur on the Revolut account. In addition, it said it's necessary to consider other banks' interventions as the funds originated from elsewhere.

I issued my provisional decision on the 3 June 2025 explaining why I was intending to reach different outcome to the investigator. Revolut did not respond. Mr S did not agree. His representatives said:

- Other decisions from this Service have confirmed banks need to ask open and probing questions when intervening and holding answers up to a reasonable level of scrutiny they should not be taking customers answers at face value especially as many scam types involve some level of coaching.
- Other cases also have decided that lying to the bank doesn't automatically mean the victim of a fraud loses their case. Choosing the wrong transfer option cannot be used to absolve the bank of liability.
- Revolut needed to intervene here and any answer like 'purchasing work equipment' or 'house renovations' would have needed to be reviewed with high levels of scrutiny with a view to uncovering a potential scam.
- The bank's failure to intervene effectively is a failure to comply with the FCA consumer duty as there was a clear pattern for job task-based scam and the harm was clearly foreseeable.

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 have considered Mr S's representative's points further.

I appreciate Mr S's representative has quoted a number of different decisions from this Service which appear to support its stance. But as it acknowledges, each case is decided on its own merits and what appears to be (on the face of it) a very similar set of circumstances, may often transpire not to be the case. There will be other cases from this Service that don't support its position too.

This is not about me deciding not to make award because a consumer has lied to a bank, it's about what I consider more likely than not to have happened with better intervention, given the circumstances of Mr S's case.

One of the reasons we don't have definitive evidence of any coaching is that Mr S has not provided the complete messages with the scammer. But that doesn't mean Mr S *wasn't* coached through the banks' interventions. Looking at the messages we do have – as pointed out in my provisional decision - it does seem to me at the very least, Mr S was sharing details of his banks' interventions with the scammer – that was evident from one partial message. And there is no other explanation as to why Mr S didn't disclose the job opportunity to his high street banks when asked. So, I think it is more likely Mr S was being guided by the scammer here.

I did also consider that Revolut had the benefit of seeing the ultimate destination of the payments and I accepted in my provisional decision that any story ought to have been subject to a high level of scrutiny given what Revolut knew about the destination of the payments. And I also acknowledged that it wouldn't have been possible for Mr S to have realistically told Revolut in the app chat that he was moving funds in respect of work equipment or house renovations, as he told his other banks.

I appreciate there might be plausible explanations for choosing a different payment purpose but when I considered this point along with everything else holistically here – on balance - whether guided by the scammer or otherwise, I am still not persuaded Mr S would have explained (under closer scrutiny and with probing questions) that he was making the payment as part of a job.

Based on everything I've seen, I see no reason to depart from the conclusions set out in my provisional decision. I have concluded that the fair and reasonable outcome, in all the circumstances, would be not to uphold this complaint. For completeness, I have set this out below.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

Where I can't know for certain what has or would have happened, I need to weigh up the evidence available and make my decision on the balance of probabilities – in other words what I think is more likely than not to have happened in the circumstances.

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.

However, taking into account relevant law, regulatory 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 December 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); and
- 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.

Should Revolut have recognised that Mr S was at risk of financial harm from fraud?

It isn't in dispute that Mr S has fallen victim to a cruel scam here, nor that he authorised the payments he made by faster payments to individuals for the purchase of cryptocurrency on the peer-to-peer market and by card to his cryptocurrency wallets (from where that cryptocurrency was subsequently transferred to the scammer).

Whilst we now know the circumstances which led Mr S to make the payments using his Revolut account and the process by which that money ultimately fell into the hands of the fraudster, I am mindful that, at that time, Revolut had much less information available to it upon which to discern whether any of the payments presented an increased risk that Mr S might be the victim of a scam.

All the card payments here were made to cryptocurrency providers. I'm aware that cryptocurrency exchanges like B, M and C generally stipulate that the card used to purchase cryptocurrency at its exchange must be held in the name of the account holder, as must the account used to receive cash payments from the exchange. Revolut would likely have been aware of this fact too. So, it could have reasonably assumed that the payments would be credited to a cryptocurrency wallet held in Mr S's name.

By December 2023, when these transactions took place, firms like Revolut had been aware of the risk of multi-stage scams involving cryptocurrency for some time. Scams involving cryptocurrency have increased over time. The FCA and Action Fraud published warnings about cryptocurrency scams in mid-2018 and figures published by the latter show that losses suffered to cryptocurrency scams have continued to increase since. They reached record levels in 2022.

So, taking into account all of the above I am satisfied that by the end of 2022, prior to the payments Mr S made in December 2023, Revolut ought fairly and reasonably to have recognised that its customers could be at an increased risk of fraud when using its services to purchase cryptocurrency, notwithstanding that the payment would often be made to a cryptocurrency wallet in the consumer's own name.

So, I've gone on to consider, taking into account what Revolut knew about the payments, at what point, if any, it ought to have identified that Mr S might be at a heightened risk of fraud that merited its intervention.

I think Revolut should have identified that the majority of the payments were going to cryptocurrency providers (the merchants are well-known cryptocurrency providers) but the initial payments were low in value and included some peer-to-peer payments (which would not have been identifiable as cryptocurrency purchases to Revolut). So I don't think Revolut should reasonably have suspected that they might be part of a scam.

On balance, taking into account that Revolut needs to take an appropriate line between protecting against fraud and not unduly hindering legitimate transactions, and also considering the value and pattern of the first six successful payments, I don't think Revolut ought to have been sufficiently concerned about the first six successful payments that it would be fair and reasonable to expect it to have provided warnings to Mr S at this point.

But by the seventh payment, a concerning pattern was emerging. The previous day Revolut intervened during the payment of £5,010.15 and asked Mr S questions about the purpose of the payment. But Mr S decided to cancel the payment. Then the two transactions immediately before payment seven were declined. Revolut showed a risk flow to Mr S and asked him for the payment purpose, then they declined the payment due to it being "high risk".

Along with what Revolut knew about the destination of payment seven, I think that the circumstances should have led Revolut to consider that Mr S was at heightened risk of financial harm from fraud. I do not suggest that Revolut should provide a warning for every payment made to cryptocurrency. Instead, as I've explained, I think it was a combination of the characteristics of this payment (combined with those which came before it, and the fact the payment went to a cryptocurrency provider) which ought to have prompted further intervention.

Such proportionate measures would not ultimately prevent consumers from making payments for legitimate purposes.

What did Revolut do to warn Mr S?

Revolut submitted it provided warnings in this case, and it declined a number of transactions (set out in the table above). Revolut intervened during the payment of £5,010.15 on 22 December 2023 and asked Mr S questions and then paused the payment. Whilst the payment was paused, Mr S cancelled it. Other payments were declined by Revolut. During the payment of £1,500 to cryptocurrency C on 23 December 2023, Revolut asked Mr S for the payment purpose and provided some educational stories. Mr S said the purpose was 'to buy, sell or rent goods, property or services'. But Revolut then declined the payment anyway due to deeming it to be high risk.

What kind of warning should Revolut have provided when Mr S made payment seven?

I've thought carefully about what a proportionate warning in light of the risk presented would be in these circumstances. In doing so, I've taken into account that many payments that look very similar to this one will be entirely genuine. I've given due consideration to Revolut's primary duty to make payments promptly, as well as what I consider to have been good industry practice at the time this payment was made.

The FCA's Consumer Duty, which was in force at the time these payments were made, requires firms to act to deliver good outcomes for consumers including acting to avoid foreseeable harm. In practice this includes maintaining adequate systems to detect and prevent scams and to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers.

Overall, I can't agree that any of the warnings provided were a proportionate response to the risk that the seventh payment presented. While I accept that Revolut has attempted some steps to prevent harm from fraud, the warnings it provided were too generic to have the necessary impact.

Having thought carefully about the risk the seventh payment presented, I think a proportionate response to that risk would be for Revolut to have attempted to establish the circumstances surrounding the payment before allowing it to debit Mr S's account. I think it should have done this by, for example, directing Mr S to its in-app chat to discuss the payment further.

If Revolut had provided a warning of the type described, would that have prevented the losses Mr S suffered from payment seven?

In this case, Revolut knew that the seventh payment was being made to a cryptocurrency provider and Revolut should also have been mindful that cryptocurrency scams have become increasingly varied over the past few years. Fraudsters have increasingly turned to cryptocurrency as their preferred way of receiving victim's money across a range of different scam types, including 'romance', impersonation, job and investment scams.

Taking that into account, I am satisfied that, by December 2023, Revolut ought to have attempted to narrow down the potential risk further when directing Mr S to its in-app chat. However, I do acknowledge that any such intervention and warnings rely on the customer answering the questions honestly and openly.

I can't know for certain what would have happened if Revolut had attempted to reach out to Mr S to discuss the payment further. In such situations, I reach my conclusions on what I find more likely than not to have happened in the circumstances. In other words, I make my decision based on the balance of probabilities – considering the evidence and wider circumstances of the case.

I am aware that Mr S gave his two high street banks cover stories for the transactions that were the source of these funds - when he tried to transfer them to his Revolut account. One story centred around the purchase of equipment for work and the other story centred around taking a loan out for house renovations and moving that money on to his other account. So Mr S was prepared to mislead his high street banks (albeit this was possibly under the instruction of the scammer) and so the same might apply to Revolut.

Indeed, when asked for the payment purpose for one transaction (which wasn't successful) Mr S selected the payment reason *To buy, sell or rent goods, property, or services*. But at that time there was an option to select *As part of a job opportunity*. Which I think more accurately reflected the reason for the transaction.

I appreciate these events occurred over two years ago, Mr S cannot recall the exact details, but he says it is possible that not all available options were reviewed thoroughly at the time.

I have thought about Mr S's various responses to different banks (including Revolut's automated question) at the time and I do acknowledge that it wouldn't have been possible for Mr S to have realistically told Revolut in the app chat that he was moving funds in respect of work equipment or house renovations, as he told his other banks. Revolut would have known that this wasn't true, as it could readily identify that the funds were being transferred to a cryptocurrency wallet. But this doesn't mean that Mr S wouldn't have continued to

conceal the real reasons for the payment purpose.

Although Mr S has shared very little of the messages he had with the scammer, I can see the start of one message referring to issues with his bank accounts and '*they are going through verification because they suspect my various transactions...*' But the messages Mr S sent us were incomplete and he says he no longer has these. Despite this – it does seem to me at the very least, Mr S was sharing details of his banks' interventions with the scammer.

On balance whether guided by the scammer or otherwise, I am not persuaded Mr S would have explained (under questioning) he was making the payment as part of a job. And so, I don't think Revolut could reasonably be expected to identify that Mr S was specifically falling victim to a job scam.

Overall, whilst I'm very sorry to hear about this cruel scam and the impact it has had on Mr S, having carefully thought about this, I'm not convinced that any further intervention would have made a difference to Mr S's decision-making. I therefore can't fairly ask Revolut to reimburse him.

Could Revolut have done anything to recover Mr S's money?

The payments were made by card to a cryptocurrency provider. Mr S sent that cryptocurrency to the fraudsters. So, Revolut would not have been able to recover the funds. In addition, I don't consider that a chargeback would have had any prospect of success given there's no dispute that the various cryptocurrency providers provided cryptocurrency to Mr S, which he subsequently sent to the fraudsters.

I realise my decision will be a significant disappointment to Mr S especially as it differs to the investigator's assessment. I sympathise with his circumstances, and I am sorry he has fallen victim to a scam. But having considered all the evidence and arguments, for the reasons above, my decision is Revolut cannot fairly be held liable for his losses.

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 S to accept or reject my decision before 16 July 2025.

Kathryn Milne
Ombudsman