

The complaint

Mr J complains Revolut Ltd (“Revolut”) didn’t do enough to protect him when he fell victim to a scam.

What happened

Both parties are familiar with the circumstances of the complaint, so I’ll only summarise the details here.

Mr J said he was contacted on a messaging service regarding a job opportunity. Mr J said he researched the company and believed it to be genuine. He explained he had to complete 40 tasks a day for six days, he would click a button named ‘Drive Data’ to receive a task and his account balance would update once he submitted the task as completed. He said he would receive small profits/commission which would increase after two days to \$100, \$500 after five days and increase to \$1,200 after ten days. Payments were made via cryptocurrency.

Mr J said he would start the day by asking for a merchant address to make a deposit, add his username and be given a cryptocurrency wallet address. Once he made the payment he’d send a screenshot and could begin working. Once he had completed his tasks he could request a withdrawal of his funds. Mr J said he kept his withdrawals in his cryptocurrency wallet and reinvested them in the scam.

Mr J explained he began to receive high value tasks which caused his balance to become negative, and he deposited funds to clear his negative balance. He also said he had to deposit funds to move to a higher membership tier and when he requested a large withdrawal he was asked for a 30% security deposit. This is when he realised it was a scam.

Below are the payments Mr J made which were lost to the scam:

	Date	Payee	Amount	Fee
1	19 October 2023	Payee 1	£30.00	£0.69
2	20 October 2023	Payee 2	£82.00	£0.57
3	20 October 2023	Payee 2	£104.00	£0.73
4	22 October 2023	Payee 3	£521.40	£11.99
5	23 October 2023	Payee 4	£522.64	£3.66
6	23 October 2023	Payee 5	£771.30	£5.40
7	23 October 2023	Payee 5	£745.59	£5.22
8	24 October 2023	Payee 4	£1,846.67	£12.93
9	24 October 2023	Payee 2	£1,810.20	£12.67
10	25 October 2023	Payee 4	£3,241.40	£22.69
11	25 October 2023	Payee 6	£1,044.32	£7.31
12	25 October 2023	Payee 6	£1,112.80	£7.79
13	25 October 2023	Payee 6	£861.00	£6.03
14	25 October 2023	Payee 7	£1,216.60	£27.98
15	25 October 2023	Payee 7	£1,216.60	£27.98

16	25 October 2023	Payee 6	£1,112.80	£7.79
17	25 October 2023	Payee 6	£513.60	£3.60
18	26 October 2023	Payee 4	£3,428.00	£24.00
19	26 October 2023	Payee 4	£857.00	£6.00
20	26 October 2023	Payee 4	£861.28	£6.03
21	26 October 2023	Payee 4	£1,708.00	£11.96
22	26 October 2023	Payee 4	£855.00	£5.98
23	26 October 2023	Payee 4	£854.00	£5.98
24	30 October 2023	Payee 8	£936.10	£6.55
25	30 October 2023	Payee 8	£936.10	£6.55
26	30 October 2023	Payee 4	£937.20	£6.56
27	30 October 2023	Payee 4	£937.20	£6.56
28	30 October 2023	Payee 4	£936.10	£6.55
29	30 October 2023	Payee 4	£937.20	£6.56
30	30 October 2023	Payee 4	£937.20	£6.56
31	30 October 2023	Payee 4	£937.20	£6.56
32	30 October 2023	Payee 4	£939.40	£6.58
33	30 October 2023	Payee 4	£939.40	£6.58
34	31 October 2023	Payee 4	£1,281.85	£8.97
35	2 November 2023	Payee 8	£1,020.00	£7.14
36	2 November 2023	Payee 4	£1,106.30	£7.74
37	2 November 2023	Payee 4	£851.00	£5.96
38	2 November 2023	Payee 8	£1,273.50	£8.91
39	2 November 2023	Payee 4	£1,202.60	£8.42
40	2 November 2023	Payee 8	£200.36	£1.40
41	3 November 2023	Payee 8	£495.84	£3.47
42	6 November 2023	Payee 8	£200.39	£1.40
43	7 November 2023	Payee 8	£1,005.60	£7.04
44	7 November 2023	Payee 8	£1,005.60	£7.04
45	7 November 2023	Payee 8	£1,005.60	£7.04
46	7 November 2023	Payee 8	£1,173.20	£8.21
47	7 November 2023	Payee 8	£806.15	£5.64
48	11 November 2023	Payee 8	£933.90	£6.54
49	11 November 2023	Payee 4	£940.50	£6.58
50	11 November 2023	Payee 4	£940.50	£6.58
51	11 November 2023	Payee 4	£940.50	£6.58
52	11 November 2023	Payee 4	£448.87	£3.14
53	12 November 2023	Payee 4	£769.50	£5.39
54	27 November 2023	Payee 2	£21.40	£0.15
55	29 November 2023	Payee 2	£48.39	£0.34

Mr J complained to Revolut, and his complaint wasn't upheld. Unhappy with Revolut's response, Mr J raised the matter with the Financial Ombudsman Service. One of our Investigators looked into the complaint and upheld it in part.

Revolut accepted the outcome. Mr J didn't agree. In summary, Mr J said:

- Revolut should have carried out human intervention at an earlier point than our Investigator concluded.
- He shouldn't be held equally liable for his losses at 50% contributory negligence due to the lack of public awareness of job scams as well as Revolut's failure to intervene as it should have.

As an agreement could not be reached, the complaint has been passed to me for a final decision. I attempted to resolve the complaint informally and wrote to Mr J to explain I agree with the outcome our Investigator reached for broadly the same reasons. He's responded and reiterated the points above and requested a final decision.

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.

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 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. 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;
- have been mindful of – among other things – common scam scenarios, how 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 J was at risk of financial harm from fraud?

I don't think Revolut ought to have been concerned by payments 1 to 11. They were relatively low in value and Mr J wasn't purchasing cryptocurrency from a known provider but rather from individuals (known as peer-to-peer cryptocurrency purchases) so Revolut wouldn't have been concerned by the destination of the payments.

I think by payment 12 Revolut ought to have been concerned and intervened prior to processing the payment. I think by this point the rate of funds entering and leaving Mr J's account along with the combined daily total by payment 12 suggested he was potentially at risk of financial harm from fraud. I would have expected Revolut to hold the payment and ask Mr J automated questions to understand the purpose of the payment and the circumstances around it.

What did Revolut do to warn Mr J?

Revolut told us when Mr J made payments to each new beneficiary it displayed a warning asking if he knew and trusted the payee and if he was unsure not to pay them. The warning also said Revolut may not be able to help him get his money back and gave a reminder that fraudsters can impersonate others.

Revolut intervened on payments 6, 8, 9, 11 and 14 and asked Mr J automated questions regarding the payments. This included asking what the purpose of the payment was and each time he selected the payment was to 'Pay a family member or friend' which we know wasn't the case. He was asked further questions based on the payment being made to family or a friend. Mr J answered to say he was paying someone back for something they purchased and that he'd been given the bank details face to face. Mr J was then shown tailored warnings based on his answers. These warnings didn't resonate with him, likely because they weren't relevant to the scam he was falling victim to, and he continued to make the payments.

A firm's intervention relies on a customer being accurate in their answers and where that doesn't happen, as is the case here, it can impact the actions a firm takes and warnings it provides. Because Mr J wasn't forthcoming in the reason for the payment it impacted the relevance of the warnings Revolut provided.

I think Revolut's interventions were proportionate to the risks these payments presented. Given Mr J was paying individuals his answers to Revolut's questions were plausible and so I wouldn't have expected further intervention from Revolut.

As stated, I think Revolut first ought to have been concerned that Mr J could be at financial harm from fraud when he made payment 12 such that it intervened. I don't think an intervention would have made a difference because at the time the payment was made, I would have expected Revolut to intervene as it did for the payments described above. And given Mr J was consistent in his answers to Revolut's automated interventions, and those answers were plausible, I think on balance Mr J would have responded to an intervention for payment 12 as he did for the ones I've described, and the scam wouldn't have been uncovered.

Revolut intervened directly with Mr J via it's in-app chat on 30 October 2023 when he made a payment for £937.20 and again on the same day when he made a payment for £936.10. During a human intervention I would have expected Revolut to ask open and probing questions of its customer to understand the payment and the circumstances around it. Revolut didn't do that here and the payments were processed.

What kind of warning should Revolut have provided and if Revolut had provided a warning of the type described, would that have prevented the losses Mr J suffered?

Revolut ought to have carried out human intervention sooner than it did. I think it would have been proportionate for Revolut to have intervened directly with Mr J, whether via it's in-app chat or otherwise, when he made payment 16. By payment 16 I'm satisfied a fraud pattern had emerged, with consecutive days with multiple payments which collectively were increasing daily. Along with funds entering the account prior to payments being made. This is where I think human intervention was required.

During human intervention Revolut ought to have asked open and probing questions to understand the circumstances of the payment and narrow down the potential scam Mr J was falling victim to, a job scam. And then provide a tailored warning.

I can't be sure what would have happened if Revolut had intervened in this way, so I have to reach an outcome on what I think is most likely to have happened. On balance, I think if

Revolut had intervened as I've described it would have uncovered the scam and prevented Mr J's losses from, and including, payment 16 onwards. I say this because I haven't seen evidence Mr J had a distrust of Revolut or banks in general and I don't find he was being coached. I appreciate Mr J gave incorrect information during earlier interventions, but I accept his explanation that this was because he felt pressure to make the payments quickly and he wasn't intentionally misleading Revolut.

It could be argued that Revolut should have intervened on earlier payments than payment 16 and as explained it did intervene on several of the payments before payment 16, and I think its interventions were proportionate. I don't think additional interventions prior to 16 would have made a material difference to the outcome. I say this because I would have expected an intervention from Revolut for these payments to be automated questions and then tailored warnings based on Mr J's answers. And given Mr J was consistent in the way he answered Revolut's questions I think on balance he would have answered any further automated questions in the same way as described above and the scam wouldn't have been uncovered.

So, while Revolut could have intervened on payments prior to payment 16 I don't think they required human intervention and Mr J would have been presented with the same questions and I'm satisfied he would have continued to answer them as he did for the reason he told us. I therefore believe the payments would have been processed.

In summary, on balance, had Revolut intervened directly with Mr J when he made payment 16 it would have uncovered the scam and prevented his losses from, and including, payment 16 onwards.

Is it fair and reasonable for Revolut to be held responsible for Mr J's loss?

I have taken into account that Mr J remained in control of his money after making the payments from Revolut. It wasn't lost until he took further steps. But Revolut should still have recognised that Mr J was at risk of financial harm from fraud, made further enquiries about payment 16 through human intervention and ultimately prevented Mr J's loss from that point. I think Revolut can fairly be held responsible for his loss in such circumstances.

While I have considered all of the facts of the case, including the role of other financial institutions involved, Mr J has chosen not to pursue a complaint further about any other firm and I cannot compel them to do so. And, I do not think it would be fair to reduce Mr J's compensation because he's only complained about one firm, as I consider that Revolut should have prevented the loss.

Should Mr J bear any responsibility for his losses?

I think Revolut can fairly reduce the amount it pays to Mr J because of his role in what happened. Mr J says he carried out checks prior to starting the 'job' and I'm persuaded he did do some research. But I think the opportunity had some red flags which ought to have been a concern for Mr J even if he wasn't familiar with remote working. He was approached via message services for employment, wasn't interviewed or given a contract or other formal paperwork. He was expected to make cryptocurrency purchases to earn a salary and the profits/commissions were simply too good to be true for the work required.

Because of this I've concluded, on balance, that Revolut can fairly reduce the amount it pays to Mr J because of his role in what happened. Weighing the fault that I've found on both sides, I think a fair deduction is 50%.

Recovery

I've thought about whether there's anything else Revolut could have done to help Mr J — including if it took the steps it should have once it was aware that the payments were the result of fraud.

The payments were peer to peer cryptocurrency payments and it seems that Mr J got the cryptocurrency he paid for and in these cases, there's no real prospect of successful recovery of funds.

Putting things right

Revolut should refund 50% from and including payment 16 onwards, this should include the fees Mr J paid when making the payments which are also subject to the 50% deduction.

Mr J said he borrowed money to fund the scam which hasn't been paid back yet, and so I agree with our Investigator that 8% simple interest isn't required on the refund.

My final decision

My final decision is that I uphold this complaint in part and require Revolut Ltd to:

- Refund 50% of the payments, and fees, Mr J made from and including payment 16.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 22 October 2025.

Charlotte Mulvihill
Ombudsman