

The complaint

Miss O complains that Revolut Ltd has declined to refund payments she says she didn't make or allow anyone else to make.

What happened

The facts are well-known to both parties, so I'll summarise them briefly.

In November 2023, Miss O received a call from a scammer purporting to be from her bank. They convinced her that her money wasn't safe, and she needed to open an account with Revolut and move her funds there. Miss O says she did credit her Revolut account but is disputing six online card payments from there – she says the scammer made these.

Revolut declined to reimburse the payments on the basis that some were confirmed in Miss O's banking app. Revolut didn't think it could raise a chargeback in the circumstances and said that its terms and conditions say they won't refund payments where a customer has failed intentionally or carelessly to keep their security details safe.

When Miss O complained to our service, the investigator upheld the complaint in part. They said Revolut could treat two payments as authorised because they thought Miss O had confirmed them in her banking app but that it should reimburse the other four payments and pay interest for the time she was without these funds.

Revolut didn't agree, it said Miss O had unblocked her card and confirmed some of the payments in its banking app, so it had no reason to be suspicious of the disputed payments.

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

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 conclusion as the investigator for similar reasons.

The relevant law here is the Payment Services Regulations 2017 (PSRs) – these set out the circumstances in which a payer (here Miss O) and a payment service provider (here Revolut) are liable for payments. As a starting point, Miss O is liable for payments that she authorised and Revolut should reimburse unauthorised payments.

It appears to be common ground that Miss O has been the victim of a scam. And while Miss O doesn't recall taking all the steps described by Revolut, she does remember creating her Revolut account and a discussion about her Revolut card with the scammer.

As Miss O's genuine device was the only one linked to her Revolut account, and there's no suggestion that remote access software was involved, I think it's more likely than not that it was Miss O who took the steps in her banking app to unblock her Revolut card and approve two payments. I also think it's more likely than not that she shared enough information about

her card for the scammer to make the disputed payments. But I accept she was tricked into doing so and she didn't make the card payments herself or agree to the scammer making these payments on her behalf.

Miss O appears to now accept that the two payments that were confirmed in her banking app are authorised, but for the avoidance of doubt I agree that it's fair for Revolut to treat them this way. This is because the screens Miss O would have seen were very clear it was asking her to confirm a payment and detailed the merchant and value – so it was reasonable for Revolut to rely on the steps Miss O likely took as her consenting to the payments.

However, this doesn't mean that all the payments were authorised. Four other online payments totalling £798 were made by the scammer using Miss O's card information without her consent. These are therefore unauthorised.

Revolut is seeking to rely on its terms and conditions which say that it won't refund Miss O if she *"intentionally or carelessly failed to keep your security details or Revolut Card safe"*. It's noted that her actions in unblocking her card and confirming some payments would have meant the payments didn't appear suspicious to it.

The PSRs have a similar provision in Reg 77 that allow Revolut to hold Miss O liable for payments if she failed with intent or gross negligence to comply with her obligations to keep her payment instruments and personalised security credentials secure. However, Reg 77 (4) says *"Except where the payer has acted fraudulently, the payer is not liable for any losses incurred in respect of an unauthorised payment transaction...(d) where the payment instrument has been used in connection with a distance contract (other than an excepted contract)"*.

The payments Miss O is disputing were all card / customer not present transactions which meet the definition of a distance contract. And they do not fall under any of the listed excepted contract activities. So, as there's no reason to think here that Miss O has acted fraudulently, I consider that Revolut is required to reimburse these four payments to Miss O. I don't think it would be fair for Revolut to apply less favourable terms than the PSRs provide for in the circumstances.

I've also considered whether there's any other reason that it would be fair for Revolut to reimburse Miss O for the two payments she confirmed in her banking app. Given it was a new account, there was no 'normal' activity to compare the payments to. And considering their amounts and the steps Revolut had taken, I don't think it would be reasonable to conclude Revolut ought to have done more to identify and prevent the scam Miss O fell victim to. I also don't think it made an error in not pursuing a chargeback in the circumstances as it's unlikely to have been successful – this is because they were 3DS approved and it's likely the goods/services were provided by the merchant to the scammer.

So, for the reasons I've explained, I think it would be fair for Revolut to reimburse four of the disputed payments to Miss O – these are three payments for £200 and one for £198.

My final decision

My final decision is that Revolut Ltd should:

1. Reimburse Miss O £798.
2. Pay Miss O simple interest at a rate of 8% on the amount in point ,1 from the date of the payments to the date of settlement.

*Interest is intended to compensate Miss O for the period she was unable to use this money. If HM Revenue & Customs (HMRC) requires Revolut Ltd to deduct tax from any interest,

Revolut Ltd must provide Miss O with a certificate showing how much tax has been deducted if she asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 2 May 2025.

Stephanie Mitchell
Ombudsman