

## **The complaint**

A company, which I'll refer to as F, complains that Revolut Ltd won't refund payments it didn't make.

Mr M, who is a director of F, brings the complaint on F's behalf.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving the reasons for my 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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- I'm satisfied the payments Mr M has disputed would be regarded as unauthorised, in line with the Payment Services Regulations 2017 (PSRs). That's because he didn't complete the steps to consent to them using Apple Pay. Instead, it's agreed fraudsters made these disputed payments after they'd set up Apple Pay on their own device using F's stolen card details and information they tricked Mr M into sharing.
- This means the starting position is that Revolut are liable to refund F's losses. One of the exceptions to this is if Revolut can show Mr M failed with gross negligence to comply with the terms of the account and keep F's personalised security details safe.
- To this end, I've considered Revolut's submissions that Mr M shared a one-time passcode from a message that said it was for Apple Pay and warned him not to share it with anyone. It's also pointed out how Mr M unblocked his card after it declined the fraudster's first attempted payment.
- To assess whether this means Mr M failed with gross negligence, I've reflected on the circumstances of the scam. He said he received a call from someone claiming to be from Revolut's fraud team, who told him there was further fraud on F's account. Given they spoofed Revolut's genuine number and how Mr M had recently raised unrecognised transactions with Revolut, I can see why he trusted it was genuine. I think lots of people would have done in this situation.
- Mr M explained he was told the OTP was needed to refund the fraudulent payments – and that he'd need to make sure F's card was unblocked for this. Given his belief that the caller was F's account provider and his understandable worry over the situation, I can see why he found this plausible in the heat of the moment. I can also imagine how he was reassured when the message with the OTP came through from Revolut when he'd been told to expect it.

- Taking this all into account, I don't find that Mr M's actions fell so far below what a reasonable person would've done when he followed the caller's instructions and overlooked the content of Revolut's message. It follows that I'm not satisfied Revolut has shown he failed with gross negligence.
- It follows that, in line with the PSRs, I don't consider F can be fairly held liable for these unauthorised payments and Revolut must put things right – by refunding its losses from the payments alongside 8% simple interest per year to compensate it for the time it's been out of pocket.

### **My final decision**

For the reasons I've explained, I uphold F's complaint. Revolut Ltd must:

- Pay F the total of the disputed payments less any amount already recovered or refunded.
- Pay 8% simple interest per year on this amount, from the date of the disputed payments to the date of settlement (less any tax lawfully refunded).

Under the rules of the Financial Ombudsman Service, I'm required to ask F to accept or reject my decision before 19 September 2024.

Emma Szkolar  
**Ombudsman**