

## **The complaint**

Mr D complains that Revolut Ltd cancelled his card after he reported that a payment he'd made was fraudulent.

## **What happened**

Mr D had an account with Revolut. In September 2024, Mr D contacted Revolut to say he didn't recognise a payment to a merchant who I'll call M. He said he'd never had any dealings with this merchant. He confirmed that the transaction was fraudulent. Revolut suggested Mr D create a new virtual card, and said the compromised card had been terminated. It also said that Mr D hadn't been charged as the transaction had been denied.

Mr D doesn't think Revolut should have done this. He says he just wanted to block this transaction – and that Revolut shouldn't have cancelled his card without permission. He's also unhappy that Revolut, having initially asked if it could speak to him over the phone, then decided it couldn't. Dissatisfied, Mr D complained to Revolut – who paid Mr D £25 as a gesture of goodwill – and then referred the complaint to us.

Our investigator considered all of this, but didn't agree the complaint should be upheld. Mr D didn't agree with the investigator. The complaint has been referred to me.

## **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.

The Payment Service Regulations 2017 require payment service users – like Mr D – to notify payment service providers – such as Revolut – without undue delay on becoming aware of the loss, theft, misappropriation or unauthorised use of a payment instrument. The regulations go on to state that payment service providers must prevent any use of a payment instrument after it has received such a notification.

This is reflected in the terms and conditions that applied to Mr D's account. These required Mr D to contact Revolut as soon as possible if his Revolut Card could be used without his permission. They also allowed Revolut to block an account or Revolut card where it's reasonably concerned about its security or that it might be used fraudulently or without the customer's permission. It also allowed Revolut to block the Revolut card to meet its legal obligations.

Mr D disputes that this would allow Revolut to terminate a card without his permission. I've thought about this. I don't accept that the word "block" limits Revolut to reversible actions such as a temporary suspension of the card. Nor do terms and conditions say that, once blocked, access to a particular card would necessarily be reinstated. And as I've already said, Revolut had a legal duty to prevent further use of the payment instrument once it was told someone had tried to use it without Mr D's permission. For these reasons, I'm satisfied that blocking a card could extend to cancelling or replacing it where there was a suspected compromise.

Here, Mr D contacted Revolut to say he didn't recognise a payment to M. Revolut replied asking Mr D to confirm he wanted to report the transaction in question as fraudulent. Mr D replied "Yes". Revolut also told Mr D that merchants might go by different names to that displayed in its app. It asked Mr D if he could recall this transaction for this amount, and if he'd like to discuss matters over the phone. Mr D noted that when he'd previously tried to schedule a call, nobody had called him, and then replied "no I have not made any transaction today for that amount!!!!". At this point Revolut terminated the card and advised Mr D to generate a new virtual card in its app.

With the above in mind, I'm satisfied that Mr D told Revolut someone had attempted an unauthorised payment on his card, that he thought the transaction was fraudulent, and that he'd confirmed he hadn't made the payment. As such, I'm satisfied that Revolut's legal and regulatory obligations required it to prevent further use of the payment instrument – and that Revolut acted in line with the terms and conditions.

Mr D says he didn't want this to happen. He says he'd already frozen the card in the app, and so there was no pressing reason for Revolut to cancel his card – he just wanted to block payments while he looked into things. Once he'd had a chance to think about things, he realised that the payment followed the expiry of a trial period for some computer software and was able to resolve matters with the merchant.

This doesn't change my conclusion. Revolut had asked Mr D if he'd recognised the transaction – naming both the merchant, and the description of the transaction (which included the name of the computer software). Mr D said he didn't. I'm satisfied Revolut was acting in line with its obligations when it then cancelled Mr D's card. I don't accept Revolut had no reason to do this – Mr D had indicated that a payment had been made without his permission, which raised the real prospect that his card details had been compromised and so might be used without his permission again.

Mr D also thinks that had he'd had a chance to speak to someone he might have worked out sooner – possibly during that conversation – what the payment was for. I see Revolut initially offered to call Mr D, but Mr D declined that offer. I recognise that there'd been previous occasions where Revolut had not returned promised calls, and don't doubt this caused some frustration.

That said, subsequent messages in the chat included hostile language and the use of capitalisation for emphasis. I see Revolut reminded Mr D to stay professional in their conversation. When Mr D subsequently asked if someone could call him, Revolut said it wouldn't be able to do so. Given everything that had happened, I can understand if Revolut felt a telephone call would not be productive.

But Revolut has paid Mr D £25 to reflect the inconvenience he experienced. I understand it has already paid this to Mr D. Given what I've said above, I'm not going to tell them to pay more.

### **My final decision**

I don't uphold the complaint.

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

Rebecca Hardman  
**Ombudsman**