

The complaint

Mr K is unhappy that Revolut Ltd have refused to refund transactions he said he didn't authorise.

What happened

Mr K contacted Revolut to report that there were eight unauthorised transactions present on his account totalling just under £600. The transactions were made to two merchants based outside of the UK for varying, but largely similar, amounts. Mr K also raised a chargeback for each of the transactions.

Mr K said Revolut failed to identify the transactions as suspicious and allowed the transactions to leave his account.

Revolut looked into the matter but didn't uphold his complaint or provide a refund. In summary, Revolut said that the transactions were made using a digital wallet which could only reasonably have been set up by Mr K or with his involvement. Revolut considered the chargeback raised by Mr K but concluded it was invalid.

Unhappy with Revolut's response, Mr K referred his complaint to our Service.

Mr K told us that his phone and Revolut card had always been in his possession. Mr K explained that his phone is protected by a passcode and a form of biometric security. He confirmed that he hadn't shared his security details with anyone.

One of our Investigators looked into Mr K's complaint but didn't recommend it was upheld. The Investigator's view was that Mr K consented to the transactions because he was more likely than not involved in setting up the digital wallet which was used for the transactions. The Investigator also concluded that Revolut didn't need to pursue the chargeback as the transactions were likely authorised.

Mr K didn't accept the Investigator's view. He didn't agree that the transactions were usual account activity noting that they were from an unauthorised source, posted one after the other and weren't for goods or services.

As an agreement couldn't be reached, the complaint was then passed to me for a decision.

After reviewing the information on file, I requested additional information from Revolut to demonstrate how the transactions were authenticated. Revolut have now shared further information, and I've considered what that showed below.

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.

When deciding this complaint, I have given regard to the Payment Services Regulations 2017 (PSRs 2017).

I've reviewed evidence of Revolut's internal system which show details of the disputed transactions including the payment method used. Based on this evidence, I'm satisfied that all the payments were authenticated through the digital wallet.

But the PSRs 2017 state evidence of authentication alone isn't sufficient to show the transactions were authorised. Under the PSRs 2017, Revolut can generally only hold Mr K liable for transactions that he either made himself or authorised someone else to make.

I've seen evidence which shows the steps someone would need to complete to add a card to a digital wallet. This shows that a one-time-passcode (OTP) needs to be entered before a Revolut card can be added to a digital wallet.

I've seen in Mr K's case that an OTP was sent through Revolut's mobile app and via text message to Mr K's phone number. Audit history shows me that the OTP was then inputted successfully. Mr K's argument is that he wasn't involved in adding the card to a digital wallet, so I've considered the likelihood of a third-party managing to obtain the OTP from Mr K's phone without his knowledge.

Mr K has said his phone remained in his possession, nobody else had access to it and was protected with a passcode and biometrics. This means that for a third party to have added Mr K's card to a digital wallet on their device and carry out the disputed transactions without Mr K's knowledge, they would have needed to take his device and replace it without him noticing. They'd also need to have bypassed the security on Mr K's phone and Revolut app to access the OTP. Or, alternatively, Mr K's device could have been accessed remotely but there's been no suggestion this was the case.

Overall, there's no plausible explanation for how a third party was able to obtain the OTP and register Mr K's card to the digital wallet, without his knowledge or consent. So, on balance, I think Mr K more likely than not consented to the token being created and therefore gave consent for the transactions that followed. As a result, I'm satisfied that the disputed transactions were authorised and it's therefore reasonable for Revolut to hold Mr K liable for them.

I can see from Mr K's submissions and response to the view that he feels the transactions were inconsistent with his usual account activity and so Revolut ought to have prevented the money from leaving his account. Revolut have explained that the transactions weren't identified as suspicious as they were of low value and were authorised through the digital wallet.

Having carefully considered both Mr K and Revolut's comments, I don't think the pattern, frequency or nature of the transactions were such that they ought reasonably to have triggered Revolut's fraud detection system.

Although this doesn't seem to be the crux of Mr K's complaint, I've considered Revolut's handling of Mr K's chargeback dispute for completeness. Chargeback is a voluntary scheme run by the card issuer and whilst there's no automatic right to a chargeback, we'd usually expect Revolut to raise one if there was a reasonable prospect of success.

Revolut have said there were no chargeback rights because the transactions were authorised. For the reasons set out above, I've found the transactions were authorised and so it follows that I don't think a chargeback was unlikely to succeed. So, I can't say Revolut

treated Mr K unfairly by not pursuing a chargeback as there wasn't a reasonable prospect of success.

It's clear Mr K feels very strongly about his complaint and has expressed to us how he feels let down by Revolut's handling of the matter. I realise my decision will likely be disappointing for Mr K, but I hope my reasons above explain why I won't be asking Revolut to do anything further here.

My final decision

My final decision is that I don't uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 27 November 2025.

Freyja Dudley
Ombudsman