

## **The complaint**

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

## **What's happened**

Mr M contacted Revolut to report that there were six transactions carried out on his account that he didn't authorise. The transactions were all made in around five minutes, amounted to just over £500 and were made to a merchant based outside of the UK.

Revolut looked into the matter but didn't uphold Mr M's complaint or provide a refund. They raised chargebacks but these were unsuccessful because Revolut said the evidence showed the transactions were authenticated using a digital wallet which meant there were no chargeback rights.

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

Mr M told us that his phone was in his possession, and his cards were at home because he always used a digital wallet to pay. Mr M explained that he hadn't shared his details with anyone and that a passcode was required to use the digital wallet.

Mr M also told us that he'd previously added his card to a digital wallet and he receives regular suspicious calls but none specifically around the time of the transactions.

One of our Investigators looked into Mr M's complaint but didn't recommend that it was upheld. The Investigator's view was that Mr M 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 M didn't accept the Investigator's view. Mr M reiterated that this was fraud, and Revolut should have refunded him.

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.

## **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 is not sufficient to show the transactions were authorised. Under the PSRs 2017, Revolut can generally only hold Mr M 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. The evidence demonstrates that a card couldn't be added without a one-time-passcode (OTP) being inputted.

In Mr M's case, I've seen that Revolut sent an OTP by text message on 20 May 2024 and this was inputted correctly which resulted in Mr M's Revolut card being added to the digital wallet.

Mr M has said he didn't add his card to a digital wallet in May 2024 and that he didn't receive any text messages from Revolut around the time of the transactions. I'm satisfied the OTP was sent to Mr M's phone because Revolut have shown it was sent to the mobile number they held for Mr M, and that number matches the one Mr M provided to us. This means that a third party couldn't add Mr M's card to a digital wallet and use it to make purchases, without first obtaining the OTP. So, I've considered the likelihood of a third-party managing to obtain the OTP from Mr M's phone.

Mr M has explained that his phone is password protected and was in his possession at the time of the disputed transactions. This means that for a third party to have added Mr M's card to a digital wallet on their device and carry out the disputed transactions without Mr M's knowledge, they would have needed to take his device - without him noticing - and replace it. They'd also need to have known Mr M's phone passcode and gain access to the Revolut app to enter the OTP. Or, alternatively, a third party would have needed to have accessed Mr M's device remotely but there's no evidence of this. Mr M told us that he's received suspicious calls but denied sharing any security details. Overall, there's no plausible explanation for how a third party was able to obtain the OTP and register Mr M's card to the digital wallet, without his consent.

On balance, I think Mr M more likely than not consented to the token being created and therefore gave consent for the transactions that followed. So, I'm satisfied that the disputed transactions were authorised and it's therefore reasonable for Revolut to hold Mr M liable for them.

Although this doesn't appear to be the crux of Mr M's complaint, I've considered Revolut's outcome on the chargebacks 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.

For the reasons set out above, I've found the transactions were authorised and so it follows that a chargeback was unlikely to succeed and so I can't say Revolut treated Mr M unfairly by not pursuing a chargeback.

It's clear Mr M feels very strongly about his complaint and so my decision will likely be disappointing for him. But, for the reasons set out above, I won't be asking Revolut to do anything further here.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 November 2025.

Freyja Dudley  
**Ombudsman**