

The complaint

Mr T says Revolut Ltd (Revolut) refuses to refund him for transactions on his account he says he didn't authorise.

What happened

The facts of this complaint are well known to both parties, so I won't repeat them in detail here.

In short, Mr T says he was abroad when he noticed unauthorised transactions on his account. The first transaction on 5 November 2024 for £3,756.33 was declined due to insufficient funds, but the second transaction just a minute later for £781.01 was processed. He complained to Revolut about this, saying he didn't make these transactions, and he was in a different location to where the payments were made.

Revolut responded to him saying it will not refund these transactions as its systems show the genuine card and correct PIN were used to authorise the payments. And as he hadn't reported his card lost or stolen, and there was no evidence of how someone else could've obtained his PIN, it decided to hold Mr T responsible for this.

Our investigator considered this complaint and decided to uphold the complaint and ask Revolut to refund the transaction. Upon reviewing the evidence and requesting further information from Revolut she was not persuaded that the PIN had been used for this transaction and therefore was not persuaded that the transaction was authorised. Revolut has not responded to her outcome, so I will now make a final decision on this complaint.

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.

Generally speaking, Revolut is required to refund any unauthorised payments made from Mr T's account. Those rules are set out in the Payment Service Regulations 2017 (PSRs). The PSRs also place the burden of proof on the service provider (Revolut) to prove that a transaction was properly authenticated and consented to. Mr T has said he didn't carry out the transactions in dispute, but Revolut said it thinks he did. So, I have to give my view on whether I think Mr T did authorise the transactions or not based on the evidence at hand.

Revolut has provided evidence to show that two transactions were attempted, but only the second one was processed. The evidence also shows they were both carried out on a card terminal using Mr T's card ending 7498, and the transaction report records this card being present for the transaction. Mr T says he had his card in his possession the whole time, and no one else had access to it. But he thinks his card was cloned or his details copied from earlier transactions made abroad.

Initially, Revolut had stated that the correct PIN was used to authenticate the payment. There are 10,000 possible combinations of a four-digit PIN, so it's most unlikely anyone

would correctly guess a PIN. And this evidence was relied upon by Revolut to conclude that Mr T must have been responsible for making the transaction. However, upon evaluating the evidence and requesting further information from Revolut, it now says that this information was incorrect, and the card terminal did not have the capability to enter a PIN at all. This means only the card details were used for this payment, and there is no evidence any further authentication was required. So, I do not think the transaction in dispute was consented to by Mr T, as per the PSRs guidelines.

The investigator, when considering this complaint, felt it would be fair to tell Revolut to pay £100 compensation for the incorrect and conflicting information it supplied. She recognised that this complaint had caused distress and inconvenience brought upon by Revolut's error. Revolut has not responded to the investigator's outcome with any other evidence or information for me to consider, or to dispute the amount of compensation suggested. So, I see no reason to depart from the investigator's suggestion here. Overall, I am not persuaded this transaction was authorised and Revolut should put things right as outlined below.

Putting things right

Revolut Ltd should refund Mr T the full amount of the transaction in dispute and also add 8% simple interest from the date the payment was made till the date it is returned to him.

Revolut Ltd should also pay Mr T £100 in compensation for the distress and inconvenience caused by the incorrect information provided.

My final decision

I am upholding this complaint and Revolut Ltd should put things right as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 27 June 2025.

Sienna Mahboobani
Ombudsman