

## **The complaint**

Mrs P complains Revolut Ltd won't refund a payment made after she fell victim to a scam.

## **What happened**

Mrs P explains that on 13 April 2024, she opened an account with an e-commerce firm and listed items for sale. After selling an item, she received a message that she thought was from the firm and it asked to verify her payment details. After being told the process failed with the card details she provided for another account provider, Mrs P was given names of other providers she could use, one of which was Revolut.

Mrs P then opened a Revolut account and as part of the verification process, she was told to top-up her account by £250 and provide her card details. She was then told she would receive a payment prompt in her app that she needed to approve, but she was assured no money would be taken. After confirming the prompt in her app, she realised she'd been scammed as she noticed a payment for £250 debited her account to a merchant I'll call "N". So she reported this to Revolut.

Revolut declined to refund Mrs P and after she raised a complaint, Revolut issued its final response letter. In summary it said the payment couldn't have been made without details being shared by Mrs P, and it couldn't pursue a chargeback claim. Unhappy with its response, Mrs P referred her complaint to our Service.

One of our investigators looked at Mrs P's complaint but didn't uphold it. They said Revolut was fair to treat the payment as authorised as they considered Mrs P made a representation to Revolut that the payment was being made by someone with authority to do so. And Revolut couldn't have done anything more to have stopped or recovered the payment. Mrs P didn't agree, and I've summarised her points below:

- Mrs P says at no point did she input the payment details or know a payment was being made, referring to what the Payment Services Regulations 2017 ("PSRs") sets out about how a payment is considered authorised.
- The payment should have been flagged as suspicious given this was the first payment made on a new account, with no previous account history, and was a significant payment made immediately that she hadn't carried out.
- To say she gave the fraudster authority over her funds is incorrect as no actual authority was given, considering she was actively misled. And the representation was not voluntary or informed, it was the product of a scam.
- She acted honestly and in good faith and the amount lost is a significant sum to her.

As Mrs P didn't agree, the matter has been passed to me to decide.

## **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 don't uphold this complaint. I'll explain why.

### *Did Mrs P authorise the disputed payment?*

In line with the PSRs, the relevant legislation here, the starting position is that Revolut is liable for unauthorised payments, and Mrs P is liable for authorised payments.

For a payment to be authorised, it must be consented to by Mrs P or someone acting on her behalf. This consent must be given in the form and in accordance with the procedure agreed between Mrs P and Revolut. In practice, this is set out in the applicable terms and conditions which, as the investigator previously set out, states that Mrs P can make payments using her Revolut card. With this in mind, I've thought about what practical steps were needed to have made this card payment.

It appears that Mrs P's card details would have been needed to give payment instructions on N's website. Also, from the technical evidence provided, the payment also required "stronger authentication" where the payment required approval in her banking app.

Mrs P has told us she shared her Revolut card details with the fraudster as she believed it was part of verifying her e-commerce account. So given the fraudster had her details, I consider it more likely than not that it was the fraudster that initiated the payment by entering the payment details into N, not Mrs P. In other words, Mrs P didn't use her Revolut card – the fraudster did. I also accept that she didn't intend to give consent to the fraudster to use her card.

But, to determine whether it's fair and reasonable for Revolut to treat the payment as authorised, I've taken into account that Mrs P did verify herself by logging in to her banking app before approving the transaction. Mrs P accepts approving a prompt in her app. So, I've reviewed the payment screen Revolut said would have been presented to her.

Having done so, I can see Mrs P was presented with a payment screen that set out that she was confirming an online payment. Along with this, it set out the name of the merchant, the value of the payment, where it was debiting from, and it gave Mrs P the option to press confirm or reject. Here, Mrs P clicked confirm.

I think that by doing this, Mrs P made a representation to Revolut that the payment instruction was made by her or someone acting on her behalf. I appreciate Mrs P didn't intend to lose money and was ultimately tricked under false pretences by sharing her card details and then clicking confirm during the payment screen in her Revolut banking app. But it remains that she did click confirm in her banking app during a process where Revolut was asking her to confirm an online payment as part of the stronger authentication process.

Further to that, the clarity of the screen about what Mrs P was confirming meant that it was reasonable for Revolut to rely on this representation and process the payment. So for these reasons, I think that it's fair for Revolut to treat the payment as authorised and so the starting position is that Mrs P is liable for her loss.

### *Should Revolut have recognised Mrs P was at risk of financial harm?*

Though the starting position is that Mrs P is liable for this payment, taking longstanding

regulatory expectations and requirements into account and what I consider to be good industry practice at the time, Revolut should fairly and reasonably have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances. So I've considered what this means for Mrs P's individual case where she feels Revolut ought to have intervened.

The payment was made from a newly set-up account, with no previous account history, so there wasn't anything for Revolut to have compared the payment to for it to have establish if the payment was out of character for the account based on previous spending. And having also considered the payment's value, and that it was made to a legitimate merchant, I'm not persuaded Revolut ought to have found the payment suspicious, such that it ought to have made enquiries of Mrs P before processing it. Whilst I recognise the payment was made to a cryptocurrency merchant, again having consider the payment's value and the merchant itself, I don't consider Revolut ought to have found the payment suspicious. Though I note Mrs P's comments that it was the first payment made from this account, I don't consider that reason alone means Revolut ought to have been concerned by it. So overall I don't consider it missed an opportunity to have prevented the scam.

### *Recovery*

As the disputed payment was an online card payment, a recovery option that would have been available to Revolut would have been through the chargeback scheme. This is a scheme run by the card scheme provider to resolve payment disputes between customers and merchants – subject to the rules they set. The scheme is voluntary and limited in scope.

As N provides cryptocurrency exchange services, it seems more likely than not that N provided the expected goods/service by processing the cryptocurrency exchange in line with the payment request it received, albeit to the benefit of the fraudster. I therefore think it was reasonable Revolut didn't try to charge back the card payment as I don't think it's likely that a chargeback claim would have succeeded. So I don't think Revolut could have done anything further to have recovered Mrs P's loss.

### *Conclusion*

Whilst Mrs P has undoubtedly been the victim of a cruel scam, and I appreciate she acted in good faith and this has been a significant loss for her, I don't find there were any failings on Revolut's part that would lead me to uphold this complaint.

### **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 Mrs P to accept or reject my decision before 12 June 2025.

Timothy Doe  
**Ombudsman**