DRN-5594385

The complaint

Mrs T complains that Revolut Ltd (Revolut, hereinafter) hasn't refunded the losses she's incurred when falling victim to an impersonation scam.

What happened

Mrs T had just started selling products on a notable online platform I will refer to as E, when she was targeted by a scammer in February 2025. The scammer impersonated a potential buyer and, subsequently, E's customer service chat assistant. They persuaded Mrs T to make two card payments under the false pretence that this action was required to verify her account with E and ensure she could receive payments from customers.

Unbeknown to Mrs T, the payments went to an international payment service provider I'll refer to as I. Mrs T made the following payments from her Revolut account:

14 February 2025 at 13:52	£463.33 (debit card payment to I)
14 February 2025 at 13:58	£396.54 (debit card payment to I)

Mrs T funded the scam payments via her savings from another bank account in her name. She didn't raise a complaint or receive a refund from that other bank in relation to this loss. Mrs T realised that she'd fallen victim to a scam when the scammer continued to find new excuses to get her to make a third payment.

Mrs T reported the scam to Revolut on the same day. The payments appeared as 'pending' so Revolut wasn't able to raise chargebacks right away. The payments could not be reversed and ultimately debited Mrs T's account.

Revolut didn't refund Mrs T, so she raised a complaint.

Revolut said it raised chargeback claims for both payments, but they were unsuccessful as they had been authorised by 3D Secure protocol, and because the international payment service provider Mrs T had sent funds to, had provided a genuine service to her, so there was no valid chargeback code under which these claims could succeed.

Revolut stated that the payments didn't depart significantly enough from Mrs T' usual account activity and, therefore, it could not be held liable for Mrs T's losses in this instance.

So, Mrs T referred the complaint to the Financial Ombudsman Service.

Our Investigator found that the scam payments weren't unusual or out of character enough to require Revolut's intervention. They agreed that recovery through chargeback was not possible in the circumstances, so they rejected Mrs T's complaint.

Mrs T disagreed with our Investigator, arguing that authentication by 3D Secure protocol could not amount to genuine authorisation, if consent was obtained by fraud. She added that Revolut had failed to protect her from financial harm and breached its duty of care towards

her. Finally, she argued she was a vulnerable customer due to being a new seller on E, and that our Investigator's findings placed unreasonable and unfair burdens on scam victims.

After our Investigator's view was issued to the parties, Revolut made a partial offer to refund 30% of Mrs T's loss as a gesture of goodwill, without any admission of fault. This was done in an effort to bring a quicker resolution to the complaint. However, Mrs T insisted the offer wasn't high enough and rejected it, so Revolut withdrew it.

In light of this disagreement, I have been asked to review everything afresh and reach a decision on the matter.

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.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

I don't doubt Mrs T has been the victim of a scam here – she has lost a large sum of money and has my sympathy for this. However, just because a scam has occurred, it does not mean Mrs T is automatically entitled to recompense by Revolut. It would only be fair for me to tell Revolut to reimburse Mrs T for her loss (or a proportion of it) if:

- I thought Revolut reasonably ought to have prevented all (or some of) the payments Mrs T made, or
- Revolut hindered the recovery of the payments Mrs T made

whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Revolut treated Mrs T fairly and reasonably in its dealings with her, when she made the payments and when she reported the scam, or whether it should have done more than it did.

Having done so, I've decided to not uphold Mrs T's complaint. I know this will come as a disappointment to Mrs T and so I will explain below why I've reached the decision I have.

I have kept in mind that Mrs T made the payments herself, and the starting position is that Revolut should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance.

Mrs T argued that the payments should be deemed as unauthorised because she was deceived by the scammer as to the reason for making them. I appreciate that Mrs T did not intend for her money to ultimately go to fraudsters – but she completed all of the steps

required to authorise and authenticate the transactions herself, including through 3D Secure protocol on the Revolut app.

The rules on whether a payment is authorised or not do not require the person making the payment to know the exact beneficiary their funds will be going to. As long as they're aware or ought to be aware that, by completing the authentication and authorisation steps, funds will be leaving their account, a payment is deemed as authorised.

In this case, Mrs T confirmed that she personally entered her debit card details and completed the 3D Secure authentication when making the payments, so I conclude that, on balance, she was aware or ought to have been aware that by completing the steps the scammer asked her to take, funds would be leaving her account. So, I find that, on the balance of probabilities, Mrs T authorised the scam payments in this case.

Even if the payments were authorised, there are some situations when a bank, or an electronic money institution such as Revolut, should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time – Revolut should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams.
- Have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so.

So, I've thought about whether the transactions should have highlighted to Revolut that Mrs T might be at a heightened risk of financial harm due to fraud or a scam.

Having reviewed Mrs T's account activity before the scam, I've come to the conclusion that the scam payments weren't high value or unusual enough to require Revolut to block them and query them further before processing them.

I have considered that the scam payments were made on the same day only a few minutes apart, which can often be associated with an emerging fraud pattern. However, I must take into account that there were only two fraudulent transactions and that Mrs T used her Revolut account regularly in the six months prior to the scam, making several card as well as faster payments for similar or higher amounts.

Mrs T was also used to making several purchases in one day and replenishing her Revolut account just before making a purchase. So, I don't think it would be fair to expect Revolut

ought to have identified something was amiss by the way the account was being used as she made the scam payments.

I've also considered that the scam payments brought the account balance to zero. However, this was a regular occurrence, in line with how Mrs T usually ran her Revolut account. So, I don't think the scam payments draining the account should have triggered Revolut's fraud detection systems.

Finally, Mrs T has also argued that she was vulnerable to the scam, due to the fact she was a new seller on the E platform. While I acknowledge Mrs T's inexperience as a new seller, I don't think this necessarily equate to a vulnerability arising from her personal circumstances or health conditions. In any event, the evidence I've seen doesn't suggest that Revolut had been notified by Mrs T of any vulnerabilities or needs such that it should have known to take additional steps to protect her, as she was making the scam payments.

Overall, due to the reasons I have outlined above, I can't say Revolut should have been on notice Mrs T may be at a heightened risk of financial harm or that it ought to have intervened on either scam payment. Therefore, I can't hold it responsible to refund Mrs T's losses.

Recovery

Because the scam payments were made via debit card, the only potential avenue for recovery would have been via a chargeback claim.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders.

Revolut is bound by the card scheme provider's chargeback rules, Mastercard in this instance.

Whilst there is no 'right' to a chargeback, I generally consider it to be good practice that a chargeback be raised if there is a reasonable chance of it succeeding. But a chargeback can only be made within the scheme rules, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid, and potentially succeed.

Given how the payments were authenticated through 3D Secure protocol, it's unlikely a chargeback would be successful on the grounds the payments weren't authorised.
Mrs T argued that Revolut should have still been able to charge back her loss from the merchant, as she didn't receive any service. I can see Revolut did raise chargeback claims for Mrs T on the basis that goods and services had not been provided, but they unfortunately failed.

This is because the payments went to a legitimate international payment service provider, I, which did provide money remittance services to Mrs T in exchange for her funds, albeit just not for her benefit. So, a service was provided in this instance, when Mrs T sent her funds to the scammer through I's payment facilities, and I can see how the chargeback claim was successfully defended by I.

In conclusion, I don't think Revolut could have done more to attempt to recover Mrs T's funds in this instance.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 3 February 2026.

Daria Ermini
Ombudsman