

The complaint

Mrs P complains that Revolut Ltd (“Revolut”) won’t refund the money she lost after she fell victim to a purchase scam.

What happened

The facts are well known to both parties, so I have outlined the key details. In summary, Mrs P purchased holiday flights from a travel agent she had found online, that I’ll refer to as A. Unbeknown to her, A was sadly a scam.

Mrs P transferred savings from a bank account in her name into her account with Revolut via several top-ups in the days leading up to the payment. She then made a debit card payment from her Revolut account to a merchant that I’ll refer to as T, in line with A’s payment instructions.

Below are the details of the payment:

Date		Time	Type of payment	Amount
14 September 2024		19:42	Debit card payment to T	£5,083.42

A then persuaded Mrs P to make a further payment of £311.65 using her credit card with another provider, under the false pretence that the flights A had reserved for Mrs P and her family were no longer available and the newer quotes were more expensive.

Mrs P realised that she had been scammed when A contacted her again to inform her the flights had been modified to now include a 29-hour layover. At that point Mrs P contacted the airline herself. The airline informed Mrs P that her reservation had been made void by the agent weeks before, due to Mrs P not settling her payment with A in time. It also confirmed there was no 29-hour layover on her route.

At that point Mrs P realised A had been lying to her to persuade her to send more funds and that it never booked the flights as it said it did. She emailed A complaining and requesting a full refund. A refunded the £311.65 payment to her credit card and told her it had processed the refund for the Revolut debit card payment too, but this never landed into her account.

On 13 November 2024 Mrs P reported the scam to Revolut. Revolut raised a fraud chargeback on her behalf which failed due to the payment having been authorised by 3D Secure protocol. Revolut said the payment didn’t require any intervention and refused to refund Mrs P.

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

Our Investigator found that Revolut should have issued a scam written warning when Mrs P made the debit card payment to the scammer. However, due to how persuasively the scam presented itself, Mrs P would have likely proceeded to complete the payment anyway. With

regards to the chargeback, our Investigator said it would have unlikely succeeded given that Mrs P's dispute was with A and not T, so Mrs P lacked the necessary relationship with T for claim to be successful. So, our Investigator rejected the complaint.

Mrs P didn't trust our Investigator had reached a fair outcome, since she didn't think she would have proceeded with the payment, had Revolut warned her about the scam risks.

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've thought carefully about whether Revolut treated Mrs P fairly and reasonably in its dealings with her, when she made the payment and when she reported the scam, or whether it should have done more than it did.

Having done so, I agree with the conclusions reached by our Investigator. I don't consider there are grounds for me to fairly and reasonably ask Revolut to refund the money Mrs P has sadly lost. I know this will come as a disappointment to Mrs P and so I will explain below why I've reached the decision I have.

I have kept in mind that Mrs P made the payment 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.

I appreciate that Mrs P did not intend for her money to ultimately go to fraudsters and was deceived into doing so – but she did authorise this payment to take place. However, 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.

Should Revolut have intervened?

The information available on this case shows Revolut didn't intervene at the time Mrs P made the scam payment. So, I've thought about whether the transaction should have highlighted to Revolut that Mrs P might be at a heightened risk of financial harm due to fraud or a scam and require its intervention.

I'm mindful Revolut didn't have much historic information about the account or what Mrs P's typical usage was like, because she had rarely been using her Revolut account in the months prior to the scam. So, Revolut wouldn't have been at first in a position to know whether Mrs P's activity was unusual or out of character – as it had very little to compare it against.

I must also bear in mind that Mrs P opened her Revolut account for the purpose of "payments" amongst other reasons, and that the scam payment was in line with that reason.

However, the value of the scam payment was significant, so I think that Revolut ought to have at least issued a scam warning as Mrs P was making it. Due to the limited amount of data Revolut had about how Mrs P used her account, and the fact the payment was going to a genuine merchant classified as Travel Agencies/Tour Operators, I think a proportionate intervention here would have been to issue a written warning broadly covering scam risks before Mrs P authorised the payment on the Revolut app.

So, I think it's reasonable to expect the warning to have mentioned to check the payee details with the recipient before proceeding, to pay via card and not faster payment when purchasing goods or services, and to contain similar pieces of advice to identify the general hallmarks of scams.

But I don't think the scam risk attached to Mrs P's transaction was such or there were any other concerning factors for which Revolut should have issued a more detailed warning specifically about travel agencies or travel scams.

Would this warning have prevented Mrs P's loss?

Mrs P argued that if Revolut had told her she was falling victim to a scam, she wouldn't have proceeded with the payment. But this isn't what a general scam warning from Revolut, based on the risk factors identified, would have said.

This is because I don't think Revolut had sufficient concerning or adverse data about T or Mrs P's transaction to issue a more targeted warning at that stage. Moreover, the evidence available about A shows that it presented itself quite persuasively.

A had a fully operational website, which Mrs P found when researching flight fares online. It had several operators that Mrs P liaised with on the phone to select the right fare for her and her family. The contact must have come across as professional enough for Mrs P to trust she was dealing with a genuine travel agency. The correspondence Mrs P received via email from A also appeared genuine to begin with and she was offered the option to pay for flights via card instead of faster payment.

So, I don't think a general warning about the hallmarks of scams would have unveiled that A was one of them, and, overall, I'm persuaded that, more likely than not, Mrs P would have proceeded with the scam payment even if Revolut had issued a generic scam warning about scams.

For this reason, I don't believe it would be fair to request Revolut refunds Mrs P for the loss she sustained.

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.

I understand that Revolut raised a fraud chargeback claim on behalf of Mrs P, on the basis she hadn't authorised the transaction. This failed as Mrs P had authorised it via 3D Secure protocol.

I believe it was wrong of Revolut to raise this type of chargeback, as Mrs P's argument was never that she hadn't authorised the payment, so it would have never succeeded in any event.

I think the correct type of chargeback would have been a disputes chargeback on the basis Mrs P hadn't received the flights she had paid for.

However, I don't consider that a disputes chargeback would have had any prospect of success in this case either. This is because the payment went to a third-party merchant, T, that Mrs P hadn't been liaising with, as she thought she was paying A to provide the flights.

So, she lacked the required relationship to raise a dispute with T, as ultimately T never arranged flights with Mrs P, A did.

Moreover, there isn't enough information available about the connection between T and A, to conclude that, on the balance of probabilities, T was also intending on scamming Mrs P.

We don't have enough evidence to determine a service was not provided by T, in exchange for the funds it received from Mrs P. T had a history of being a genuine travel agent, and so I find it's more likely that it would have successfully defended a chargeback claim.

So, I'm persuaded that, even if Revolut had raised a disputes chargeback, it would have, more likely than not, failed in the circumstances of this case and I don't think Revolut could have done more to attempt to recover Mrs P' 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 P to accept or reject my decision before 16 February 2026.

Daria Ermini
Ombudsman