

The complaint

Mr H complains that Revolut Ltd won't refund in full the money he lost when he fell victim to a scam.

What happened

Mr H was looking to apply for a loan through a broker's website. He received a call from an individual purporting to be from a lender "E", and they said he had passed their checks for a loan applied through the broker. The caller told Mr H he would receive an email and a text with a link to confirm his identity and set up his loan repayments. Mr H says he clicked on the link and recalls approving one transaction, which he thought was the first loan repayment amount. Subsequently, he noticed several transactions – card payments and transfers – had been made from his Revolut account.

Revolut declined to refund the transactions. Our investigator concluded that the steps required to make the transfers were likely completed by Mr H. This was because the technical evidence provided by Revolut showed that there was only one device registered on Mr H's account, which he confirmed belonged to him and no one else had added to. As such, under the relevant law the transfers were authorised. The investigator also considered whether any of the transfers should have flagged as suspicious to Revolut such that it should have questioned Mr H before processing them. But they didn't think the transfers were that unusual. The investigator noted that Revolut did stop two transactions and asked Mr H questions, but the response it received didn't give it any further cause for concern.

In relation to the card payments, the investigator noted that Mr H acknowledged making the first transaction but not the others. The investigator concluded that the remaining transactions were unauthorised as Revolut was unable to evidence that they were authenticated correctly. So, they asked Revolut to refund all the card payments, except for the first one, along with interest.

Revolut accepted the investigator's assessment. So did Mr H initially. But after Revolut paid the refund, Mr H explained that he didn't realise he'd only accepted a percentage of the loss claimed. So, he asked for an ombudsman's decision.

I contacted Mr H informally, as I'm allowed to under our rules, and explained that although Revolut had already accepted the investigator's outcome and paid the recommended refund along with interest, I considered it fair and reasonable to treat the card transactions as authorised as well. So, although he was unhappy with the partial refund and wanted the full amount back (less the first card transaction), I didn't intend telling Revolut to do anything further.

Mr H has asked for a decision as he would like Revolut to refund the transfers as well.

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'd like to start by saying I'm sorry to hear about Mr H's circumstances and how this incident has impacted him, not just financially but also emotionally. I'd like to reassure him and Revolut that although I've only summarised the background above, so not everything that's happened or has been argued is detailed, I have read and considered everything that has been submitted in its entirety.

Although Mr H asked for an ombudsman's decision following the investigator's assessment, he didn't specifically dispute their conclusion that it was fair and reasonable for Revolut to have treated the transfers as being authorised by him. Similarly, in his appeal to me, Mr H hasn't disputed my provisional findings that the card transactions were authorised.

Nevertheless, for completeness, I'll first address the issue of whether I think it would be fair to treat the disputed payments as authorised. The relevant law here is the Payment Services Regulations 2017. The starting point is that Mr H is responsible for a payment he authorised, and Revolut would generally be liable for an unauthorised payment.

Where evidence is incomplete or contradictory, I need to make a finding on the balance of probabilities and conclude what I think is more likely than not to have happened in light of the available evidence.

Is it fair for Revolut to treat the payments as authorised?

Transfers

The transfers were made using the only device registered to Mr H's account, and, from the information I've seen, that device belongs to him. Mr H has confirmed that no one else had access to this device or knew the security details. There's also no suggestion that remote access software was installed and in use at the time of the scam.

So, while I fully acknowledge that Mr H was tricked, on balance, I think it's more likely than not that he completed the steps involved in giving the transfer instructions to Revolut and approving the transactions in his Revolut app. As such, I think it's fair for Revolut to treat the transfers as authorised.

I can see Mr H states he was told by Revolut that two devices were logged on his account. But this isn't supported by the chat logs. Revolut do ask him about a browser log in, but the technical evidence I've seen shows only device being registered to Mr H's account. Also, the browser log in didn't happen until after the disputed transactions were made.

Card transactions

The investigator's findings were that Revolut hadn't provided the authentication data in relation to the card transactions. So, they couldn't say for certain that Mr H's card and associated details were used or that he consented to the transactions. But I can see that Revolut has told our service there was no additional verification required for the card transactions. This could be due to the fact that the amounts involved were relatively very low.

As the card transactions would have been initiated on the merchant's side and not from within Revolut, it is understandable why technical audit data similar to the transfers isn't available for card transactions. That said, Revolut has shown that the card issued to Mr H was used to authenticate these transactions.

I can see that Mr H acknowledges making the first card transaction. In other words, it was authorised by him. As I've concluded above that I consider the transfers were also authorised by Mr H, in the circumstances of this case I'm satisfied, on balance, that the remaining card transactions were also authorised by him.

Is there any other reason it would be fair for Revolut to reimburse Mr H?

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Revolut ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances. Considering when the disputed payments were made and their amounts, I'm not persuaded that Revolut ought to have found any of the transactions suspicious, such that it ought to have made enquiries of Mr H before processing it. It's worth noting that Revolut did stop two transactions and asked questions, but the response it received from Mr H to those questions didn't give it any further cause for concern.

I've also considered whether Revolut acted reasonably in attempting to recover Mr H's funds.

In relation to the transfers, I can see that Revolut contacted the beneficiary account provider once it was aware that he was disputing the payments. I acknowledge Mr H's frustrations as I can see from the chat log that he contacted Revolut on several occasions for an update. On one occasion Mr H asked for details of the beneficiary, and the agent replied that he (i.e., Mr H) would know the details as he initiated the transfers. I can see why in the circumstances of what happened here a response like that was far from ideal. But overall, I'm satisfied that Mr H was correctly informed on multiple occasions that Revolut was still waiting to hear back from the beneficiary account provider on whether there were any funds left to be recovered. Unfortunately, Revolut didn't hear back.

In relation to the card transactions, while I understand that Mr H says he only completed a chargeback request by accident, it is the only recovery mechanism for payments involving a debit card. It's a common feature of the scam Mr H has described that good or services are provided in return for the payments made using the victim's card, but for the scammer's benefit. In the circumstances, I don't think it's likely that Mr H could have recovered his funds in this way.

So, I don't think Revolut could or should have done anything more to attempt recovery.

Distress and inconvenience

I can see Mr H has said that at the very least he should receive some compensation. He has undoubtedly been the victim of a cruel scam. But in order for me to award compensation, I need to be satisfied that Revolut's acts or omissions materially contributed to the distress Mr H experienced. As I haven't found any failings on Revolut's part that would lead me to uphold this complaint, and it was the actions of the scammer that led to Mr H's loss, it would neither be fair nor reasonable for me to award compensation.

In conclusion, I realise that Mr H will likely be disappointed with this outcome. I recognise that this is not an insignificant amount of money to him and I'm sorry that he lost it due to the actions of the scammer. But, for the reasons given, I'm not persuaded that Revolut acted unfairly when it declined to refund Mr H's claim.

My final decision

For the reasons given, 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 H to accept or reject my decision before 2 September 2025.

Gagandeep Singh
Ombudsman