

## **The complaint**

Miss S has complained that Revolut didn't help her recover her funds and refused to process chargebacks when she was a victim of a scam.

## **What happened**

Miss S has an account with Revolut. She contacted Revolut about gambling transactions she had made between May and June 2025 from her account to an online casino. Miss S says the merchants she used processed payments for the online casino which was unlicensed and falsely advertised itself as "Not on GamStop" and accepted her as a UK player – even though they later admitted she should not have been allowed to use the platform.

Miss S asked Revolut to initiate chargebacks so she could reclaim the money she had paid. Revolut refused to raise these and said the transactions were classified as money orders and / or service received and the rules governing the chargeback scheme set out there was no recourse to reclaim gambling transactions.

Miss S was unhappy with Revolut's response and argued that chargebacks should be raised against the merchants for services not as described and that the merchants misrepresented its safeguarding responsibilities. Miss S also said the chargeback rules permits issuers to pursue chargebacks where; the merchants misuse of MCC code has materially affected a cardholder's ability to recognise or block payments, which she said is the case in her situation.

Miss S remained unhappy and referred her complaint to our service. Our Investigator thought Revolut were correct to say there were no grounds for them to raise chargebacks on behalf of Miss S.

Miss S didn't agree and so her complaint 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.

I'm sorry Miss S has lost a significant amount of money and I don't underestimate the impact this has had on her. But while I know this won't be the outcome she is hoping for, I don't agree Revolut have made an error in refusing to raise chargebacks to help her recover her funds for similar reasons to our Investigator. I know this will come as a disappointment to her, so I've set out my reasons below.

Before I do, I want to reassure Miss S that I've considered everything she has provided. And so, while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being, whether Revolut should

be expected to raise chargebacks to help Miss S recover her losses.

Miss S has also provided our service with various information regarding the online casino and the merchants she had used, and how they were not operating above board. However, my role here isn't to investigate the gambling websites or the online casino. I'm only looking at Revolut's responsibilities and if they could have done anything different to firstly identify if the payments were being made as part of a scam or fraud, or if they could have done anything differently in helping to recover the payments once Miss S had reported them to Revolut.

In broad terms, the starting position in law is that Revolut are expected to process payments that their customer authorises them to make. Here, it isn't disputed that Miss S knowingly made the payments from her Revolut account and so, I'm satisfied she authorised them.

Therefore, under the Payment Services Regulations 2017 and the terms of her account, Revolut is expected to process Miss S's payments, and she is presumed liable for the loss in the first instance.

However, taking into account regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

#### Account activity

I need to decide whether Revolut acted fairly and reasonably in its dealings with Miss S when she authorised payments from her account, or whether it could and should have done more before processing the payments.

When considering this, I've kept in mind that Revolut process high volumes of transactions each day. And that there is a balance for Revolut to find between allowing customers to be able to use their account and questioning transactions to establish if they're legitimate. Here, Miss S has confirmed that at the time she was making these payments she was aware that she was using an online casino and that she was making gambling transactions.

Miss S had opened her Revolut account in April 2022, and all bar one (£50.65) of the payments which Miss S disputes are low value transactions under £50 to gambling websites. The payments here, either individually or collectively, were not of a monetary value whereby I would've expected Revolut to have had any reason to suspect Miss S was at risk of financial harm from fraud.

It follows that I think it was reasonable for Revolut to assume the payments were being made for legitimate purposes. And so, I wouldn't have expected Revolut to have taken additional steps or carried out additional checks before processing the payments.

#### Chargebacks

I've considered whether, on being alerted to the scam, Revolut could reasonably have done anything to recover Miss S's losses, but I don't think it could. The only possible option for recovery here, would have been via chargeback claims. However, Revolut have confirmed as per Mastercard guidance there are no chargeback rights for gambling transactions, such as the ones described by Miss S.

Miss S has confirmed at the time she was making these payments she was aware that she was using an online casino for gambling transactions, so, on the face of it, I am satisfied that she received the services (in this instance, bets and linked gambling transactions) she was paying for. And, while I appreciate Miss S's comments that the merchants used incorrect MCC codes and misrepresented the service she was provided – the money still entered the recipients account for the purpose Miss S intended, which was gambling, so the chargebacks were unlikely to have been successful. And while Miss S has alleged this is a scam or fraud (and I don't doubt her version of events) in order to hold Revolut accountable for this, as highlighted above, I would need to be satisfied that the payments here, either individually or collectively, were of a monetary value whereby I would've expected Revolut to have had sufficient reason to suspect Miss S was at risk of financial harm from fraud. However, based on everything I've seen I can't say this was the case. Miss S said the Mastercard rule allows her to make a chargeback claim as she believes the merchants misrepresent themselves in order to circumvent any gambling stops she had in place.

Our service has previously been in contact with Mastercard to understand the designated purpose of the Mastercard rule relating to 'transaction laundering' about incorrect MCC codes being used, to circumvent any gambling blocks and whether or not it could be applied to claims such as the one Miss S attempted to make. In its submissions to this service, a representative from Mastercard confirmed that the rule would not apply in the way Miss S believes it ought to. It also confirmed that there are no chargeback rights relating to transaction laundering in circumstances where an incorrect MCC has been used to circumvent gambling blocks as Miss S has alleged happened here. It further clarified that the onus sits with the acquirer to ensure that merchants are using the correct codes to identify themselves. Also, the type of MCC codes used by the gambling websites is something outside of Revolut's control.

In summary, I'm sorry to hear that Miss S has lost money to a gambling company. And it's clear that Miss S has sought to reduce the opportunities available to her to gamble. But, given all of the circumstances of this complaint, I don't think that Revolut acted unfairly or unreasonably - firstly in allowing the payments to be made and secondly in refusing to process chargebacks for Miss S.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 10 April 2026.

Israr Ahmed  
**Ombudsman**