

## The complaint

Miss D has complained about the way Revolut Bank Ltd dealt with a claim for money back in relation to a purchase she'd made using her debit card.

## What happened

Both parties are familiar with the circumstances of the complaint which I'll briefly summarise here. Miss D said she used her Revolut debit card in June 2025 to pay a merchant I'll call T for an online course. Miss D contacted Revolut to request a chargeback for the full amount of the transaction, £14,895, stating that she hadn't received the goods or services paid for. Miss D said she had submitted a refund request to T within 14 days, but this was refused, and she hadn't been clearly warned or asked for explicit consent to waive any cooling off period.

Revolut looked at the claim in June 2025 but declined to take it further. It explained the transaction was related to a service that was non-refundable, as per T's terms and conditions.

Unhappy with this response Miss D made a complaint to Revolut. She said she submitted a cancellation to T within the 14-day cooling off period as per the Consumer Contract Regulations 2013 (CCRs). Miss D said she accessed the platform only briefly and under pressure, and she did not make meaningful use of the course. She'd tried to resolve the matter directly with the merchant. Miss D said that the claim wasn't properly assessed based on consumer protection legislation and hadn't taken into account key facts.

Revolut didn't respond to the complaint in the time required. So, Miss D referred her complaint to our service. Revolut issued its final response, stating that the claim didn't meet the card scheme rules.

Our investigator looked into things but didn't uphold the complaint. He said that chargeback didn't include implied terms from legislation, and Revolut hadn't acted unfairly because the dispute didn't meet the chargeback rules.

Miss D didn't agree. In summary she said:

- Several important points regarding Revolut's conduct and obligations hadn't been considered
- The chargeback request had initially been handled by an AI assistant and closed without any direct review from a live agent. This falls short of the level and care and diligence required under the Financial Conduct Authority (FCA) Principle 6 – Treating Customers Fairly and Principle 2 – due skill, care, and diligence. The evidence and refund request were not properly reviewed before Revolut decided the case could not proceed.
- The refund request was submitted in writing, within the statutory 14-day cooling-off period under the CCRs before any meaningful use of the service occurred. Revolut

did not take into account that UK consumer protection law overrides such terms where statutory cancellation rights apply. And having failed to ensure that the chargeback process was applied correctly it prevented her dispute from being fairly assessed.

- The FCA's Payment Services Regulations (Regulation 90) and its guidance in FG18/3 expect firms to handle disputed payments "promptly, fairly and consistently", ensuring that a customer's legal rights are properly considered. Declining a chargeback purely on the merchant's terms – without looking into whether the contract complied with UK consumer law – didn't meet the standard.

The complaint has been passed to me to make a decision.

### **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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules including Consumer Duty, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time.

I want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters with minimum formality. But I want to assure Miss D and Revolut that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I also want to say I'm very sorry to hear that Miss D tried to cancel the services that she paid for. I appreciate it cost a significant sum, and she's been unable to recover that to date.

I need to consider whether Revolut – as a provider of financial services – has acted fairly and reasonably in the way it handled Miss D's request for a refund. I have to make the distinction between the financial services provider (Revolut) and the merchant (T) here as we can't look directly at what happened with T. I've gone on to think about the specific card protections that are available. In situations like this, Revolut can consider raising a chargeback.

Chargeback allows for a refund of the money paid with a debit card in certain situations, such as when goods or services have been paid for and not received. Chargeback isn't a legal right or a statutory protection which means there isn't an automatic right to get a refund from the card provider. I would expect a card provider to attempt a chargeback if there was a reasonable prospect of success. This is determined by the claim being in line with the rules of the card scheme to which the card belongs.

While it's good practice for a card issuer to attempt to chargeback where certain conditions are met and there's some prospect of success; there are grounds or dispute conditions set by the relevant card scheme that need to be considered. If these are not met, a chargeback is unlikely to succeed. And something going wrong with a merchant won't always lead to a successful claim.

Miss D's arguments mainly relate to terms implied into her contract with T from legislation, in particular in relation to the CCRs. I'm afraid while the CCRs might be applicable to the

underlying contract with T, Revolut didn't need to consider them further when looking into her chargeback claim. I say this because disputes are reviewed under the card scheme rules, rather than specific laws or regulations outside of those rules. There are however other types of dispute, which involve payments made using credit, where Revolut might need to consider its liability under Section 75 of the Consumer Credit Act 1974. I have to be clear that I'm not making a finding on whether the CCRs applied to the contract with T, nor am I considering a claim under Section 75 here, as that legislation doesn't apply to this transaction, which was made using a debit card.

Miss D completed the dispute form and said that she'd purchased an online membership but had requested to cancel within 14 days but was refused. She said she was not warned or asked for consent to waive the cooling off period.

I've looked at the relevant rules from the card scheme. Although a chargeback wasn't attempted, I think the most relevant chargeback reason here would be "Cancelled Merchandise/Services". In order for Revolut to raise a chargeback it would have had to do so within the strict rules laid down by the card scheme – in this case Visa.

The main issue is whether Revolut was fair in deciding the chargeback was unlikely to succeed and discontinuing the process. I've looked at the chargeback rule, and it says that the "*Dispute applied if the cardholder cancelled a transaction related to an off-premises, distance selling contract (as set out in the EU Directive and amended from time to time) within 14 days*". But it also goes on to say, "*the cancellation period for off premises, distance selling does not apply to contracts for goods or services where any of the following apply: - Goods are not received in physical form (software download)*". Revolut said it also considered the contract itself, and found that it didn't have a reasonable prospect of success due to the terms about non-refundable cancellation.

Overall, I think it was fair for Revolut to decline Miss D's chargeback claim submission on the grounds that it didn't meet the strict terms applicable under the rules, and didn't have a reasonable prospect of success.

I appreciate that Miss D thinks that Revolut's handling of the claim was poor and she's referenced FCA principles and other regulations. I understand that she's unhappy that her claim wasn't reviewed by a live agent, but I've not seen anything which shows that Revolut's process didn't adequately and competently deal with the dispute. It also dealt with the dispute itself and the follow up communication promptly, including pro-actively assessing the chat by a live agent, although Miss D had left the chat by this point. Miss D has said that she authorised the transaction and ultimately the chargeback rules don't cover the sort of situation that Miss D is describing.

On balance, I think it was reasonable for Revolut to decide to not proceed with the claim. It wouldn't have complied with the chargeback rules. So, I'm not directing Revolut to do anything to resolve this complaint.

I appreciate that Miss D is likely to be disappointed with my decision. I should point out that my decision is only in respect of Revolut's handling of the claim, and this does not prevent her from pursuing legal action against the supplier if that is something she wants to do (after getting legal advice).

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept

or reject my decision before 5 January 2026.

Caroline Kirby  
**Ombudsman**