

## The complaint

Mr H has complained about how Revolut Ltd (Revolut) handled his request to chargeback a transaction.

## What happened

In June 2025, Mr H made a payment of around £1,000 to a car rental business, the merchant, using his Revolut debit card. He said that the payment was a security deposit and he said that when he saw the car he noticed lots of scratches but was assured not to worry about it as he had insurance. He said that after not receiving a refund of the deposit, he queried this with the merchant, who told him that the deposit would not be refunded due to damage to the car.

Unable to resolve matters with the merchant directly, Mr H asked Revolut to assist him in getting a refund. Revolut started the chargeback process. The merchant provided a response and said a refund was not due. It provided a copy of a check in form to show that there was no recorded damage to the car at the start of the rental and photographs to show damage to the car. It also provided a copy of the signed rental agreement, explaining that Mr H was bound by the terms of the agreement, and that it had not returned the deposit in line with the agreement terms.

Revolut considered this information and asked Mr H to provide further evidence that the car was damaged when he collected it. In response Mr H explained that he didn't have this information, having been told when he collected the car that he didn't need to check for damage as he had full insurance. Mr H asked Revolut to ask the merchant for this evidence and the agent explained this was not possible under the chargeback process. Revolut decided not to pursue the chargeback further and informed Mr H. Unhappy with this Mr H raised a complaint and asked for a copy of the merchant's evidence, which was sent to him the following day.

Revolut said it had not made an error in how it handled the chargeback. It said that as the merchant provided compelling evidence to support their side, and in line with the scheme rules, it was unable to pursue the chargeback further. It apologised for any inconvenience Mr H experienced when communicating with Revolut via its chat function and explained that on most occasions he initially started to speak to its chatbot, before being transferred to a support agent.

Unhappy with this response, Mr H referred his complaint to this service. One of our Investigators looked into the complaint and whilst she empathised with the situation Mr H was in, she said that she didn't think Revolut treated Mr H unfairly in how it handled the chargeback, including its decision not to pursue it further once it received the merchant's defence, because she didn't think it would have been successful. She recognised that the photographic evidence from the merchant wasn't time stamped, but didn't think Revolut acted unfairly in how it considered this in the absence of any other evidence and in light of the terms of the agreement.

Mr H didn't agree. He said the photographs were not time stamped and he felt that the google reviews had been ignored which showed an issue with deposits not being refunded by the merchant, which he said was fraud and as such he felt Revolut should protect him against this.

Our Investigator reconsidered and her opinion remained the same. She said that she felt Revolut raised the chargeback correctly in the circumstances of the dispute and she didn't think it was unreasonable for Revolut not to intervene when Mr H tried to make the payment. She said that it wasn't unfair for Revolut to consider the evidence in relation to this transaction and reiterated that she didn't think the chargeback would have been successful had Revolut taken it further.

Mr H didn't agree and so the 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.

My summary above and comments below will focus on what I consider to be the key points to this complaint. Whilst I've considered everything in detail, if I don't comment on a particular point it's because I don't feel that I need to in order to reach a fair answer on this complaint. It's not meant as a discourtesy, but instead it reflects the informal nature of this service.

I want to make it clear that I'm not considering the actions of the merchant, as that doesn't fall within this service's remit. Instead my role is to consider the actions of Revolut only. Whilst there may have been issues, it doesn't necessarily mean that Revolut treated Mr H unfairly, as something going wrong with a merchant won't always lead to a successful chargeback claim.

As Mr H made the payment in dispute via debit card, the only way Revolut could potentially assist him in getting a refund was through the chargeback scheme. I need to determine whether Revolut treated Mr H fairly in how it dealt with the chargeback.

There are set rules and criteria under which Revolut would need to follow as part of the chargeback process. These rules are set by the card scheme and cannot be altered or amended by Revolut under any circumstances. Part of these rules set out the situations in which a chargeback can be raised in the form of reason codes, along with specific criteria and time scales for each code.

A chargeback isn't an automatic right for consumers and in Mr H's circumstances Revolut had discretion to decide whether to attempt one or not. However, in treating Mr H fairly I'd expect it to attempt one if the scheme rules provided a specific option for his dispute and it had a reasonable prospect of success. If a chargeback is attempted, it would be for Revolut to decide whether to pursue it further to each subsequent stage, depending on whether it considered there was a good prospect of it succeeding at each stage or not.

Revolut attempted the chargeback. When it received the merchant's response and confirmation from Mr H that he was unable to provide further evidence it took the decision not to take the chargeback further, as it found the merchant's evidence to be persuasive. I note that it dealt with the merchant's response quickly and promptly updated Mr H throughout the process.

Having considered all of the information provided, I don't consider Revolut's decision not to pursue the chargeback further to have been unfair. I say this because the merchant had provided evidence to show damage to the car, that in the event of damage specific information needed to be provided for the insurance to be valid and the terms of the agreement which set out that the deposit would only be returned if all conditions were met.

I'm satisfied that Revolut acted fairly by giving Mr H the opportunity to provide further evidence to counter the merchant's claims before deciding on the next steps. As Mr H wasn't able to provide Revolut with evidence to counter the merchant's claims of damage, nor that the merchant wasn't entitled to retain the deposit in the event of damage, I can appreciate why it thought the chargeback didn't have a good prospect of succeeding.

It's worth pointing out that it's not for Revolut to request specific information from the merchant, this simply isn't how the chargeback process works. Chargebacks aren't designed to deal with complex disputes and I can appreciate why Revolut decided not to take the chargeback further in light of the lack of evidence to counter the merchant's claims.

Whilst I appreciate that Mr H strongly refutes that he is not due a refund, I can understand why Revolut would have wanted to see more evidence to demonstrate that the chargeback had a good prospect of succeeding before taking it further. I don't think Revolut acted unreasonably when it accepted that the merchant's evidence showed the chargeback had little prospect of succeeding, given that Mr H was unable to produce evidence to disprove the validity of the merchant's evidence.

I acknowledge that Mr H informed Revolut of the merchant's online reviews, but it's not Revolut's role to investigate the merchant as part of this type of dispute. Revolut considered the information provided about this individual dispute, before deciding not to pursue the chargeback further, and given what I've said above, I consider this to be fair.

Mr H has raised some concerns about fraud. There are fraud related chargeback disputes that can be raised as well, such as for there being no cardholder authorisation. It's not in dispute Mr H authorised the transaction, albeit he said he had no other choice. I've not seen anything to suggest any of the fraud related dispute reasons would have been valid, or that Revolut made an error in how it raised the dispute. I don't think raising a dispute for any other reason would have had any prospect of success either.

Whilst I empathise with the situation, as I explained above, something going wrong with a merchant won't always lead to a successful chargeback claim. I've not seen enough to show the dispute had a reasonable prospect of success via chargeback and as such I've not got the grounds to direct Revolut to reimburse Mr H. It follows that I will not be asking Revolut to do anything more.

I should point out that Mr H doesn't have to accept this decision and instead is free to pursue the complaint by more formal means, such as through the courts, should he wish to.

### **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 Mr H to accept or reject my decision before 24 March 2026.

Daniella Roberts  
**Ombudsman**

