

The complaint

Mr F complains Revolut Ltd hasn't provided him with a refund relating to a transaction made using his Revolut account.

What happened

In December 2024, Mr F made a purchase to an overseas auction house, I'll refer to as "P". He paid CHF 6,592.50 for a magnum of wine.

He says the auction listing showed a picture of the magnum of wine with the original label from 1947 attached. He said the listing didn't mention any damage, replacement or reproduction of the label. However, on receipt of the magnum, he says it became clear the label was a modern reprint and not authentic to the 1947 vintage; and the label was detached from the bottle. He adds that as a result, P had misrepresented the item, as it was different to what had been described in the listing. And he would not have purchased the magnum had it been accurately described.

Mr F complains about how Revolut managed his chargeback. He says that Revolut submitted the chargeback under the wrong reason code and it failed to allow him to review or rebut P's response to the dispute, which ultimately led to it being declined. All of which he says has denied him the opportunity to have his chargeback fairly assessed.

Revolut responded to Mr F's complaint, but ultimately, it didn't think it had done anything wrong. In summary it explained that it found the evidence supplied by the merchant to be compelling, so it didn't continue with the chargeback.

An Investigator at this service then considered the evidence provided by both parties, but they didn't uphold Mr F's complaint. In summary, they explained that they felt Revolut had assessed Mr F's claim in line with the Mastercard rules, and they didn't think Revolut's decision not to take the dispute further was unreasonable.

Mr F didn't agree with the Investigator's view, and so the complaint has been passed to me to decide 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.

Having considered all of the evidence, I don't uphold Mr F's complaint. I appreciate this will come as a disappointment to him, as I can see how strongly he feels about what's happened; however, I will explain how I have reached my decision below.

Before I do that, I want to make it clear that I have read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to

reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the crux of the complaint. I say this as I'm aware I have summarised Mr F's complaint and his responses to the Investigator's view in far less detail than he has.

I'm sorry to have read of the issues Mr F has had with P. However, as Revolut aren't the supplier of the goods, I can only consider whether it acted fairly and reasonably in light of its role as the finance provider.

In deciding if Revolut has acted fairly and reasonably, I have thought about the ways it could have helped Mr F get a refund for the item he says wasn't as described. In this case, I consider chargeback was the only available mechanism for Revolut to consider.

Chargeback provides a way for the card issuer – in this case Revolut – to help a customer claim a full or partial refund of the amount they paid on their card, if certain things go wrong with what they've purchased.

The process for Chargeback is overseen by the card scheme – in this case, Mastercard. Card schemes set out various rules covering things such as what sort of scenarios are eligible for chargeback, the kind of evidence required, and the timescales for a chargeback to be raised. The chargeback scheme rules are available on Mastercard's website. Our service has no jurisdiction over how the card scheme provider should run their scheme, but we can consider if a firm has fairly handled a chargeback in accordance with the scheme rules.

Generally speaking, it is good practice for a card issuer to attempt a chargeback where the right exists and there's a reasonable prospect of success. That said, they're not guaranteed to be successful, and a consumer is not able to demand that their card issuer attempt one. Chargeback is not a legal right. And it is also limited to the rules of the scheme rather than any statute.

A chargeback can be defended too by the merchant through their acquirer. If neither party concedes then, ultimately, the card scheme itself can be asked to rule on the dispute at the final stage of the chargeback process called arbitration. The card scheme provider's finding is final and neither our service nor Revolut can interfere with this.

I can see Mr F is particularly keen for relevant laws to be considered when determining if it was fair and reasonable for Revolut to decide not to continue with the chargeback; but it doesn't need to do that here. As I've already said, a chargeback is limited to the rules of the scheme.

Mastercard also issued some guidance¹ during the Covid-19 pandemic which sets out what the scheme is and isn't. I think the principle about what a chargeback is and isn't still applies today and remains relevant. The guidance states the scheme is intended to resolve chargeback disputes between Mastercard customers, it is governed by Mastercard Standards and is based solely on claims, evidence and materials presented. The guidance confirms that the chargeback scheme is not legal adjudication of consumer or merchant rights under law. It is also not governed by local law of each country. And it isn't a substitute for court cases or proceedings under law.

So, it's unlikely – and would not reasonably be expected - that Revolut took into account relevant law when deciding how to proceed with Mr F's chargeback, and there was no

¹ *Dispute Resolution Management During COVID-19 (Public Version) published May 2020.*

requirement for it to do so. This isn't to say that Mr F doesn't have rights under the laws he's stated, but he would need to seek his own legal advice on this in relation to a potential statutory claim against the merchant.

Revolut did raise a dispute for Mr F under the chargeback scheme, and I have considered what both parties have said about the chargeback along with the wider evidence about the scheme rules to decide if Revolut acted fairly and reasonably in handling the chargeback.

As I understand it, there seems to be some disagreement about the reason code Revolut used to process Mr F's chargeback. Mr F says Revolut used the code to reflect that the goods weren't received, which isn't accurate to the scenario in which Mr F has raised his concerns to Revolut. I haven't seen evidence to show what code Revolut used for the chargeback, but when deciding this case, I have considered what would likely have happened if Revolut had used the most appropriate reason code (which it might well have done).

In my view, the most appropriate code would have been "Goods or Services Were Either Not as Described or Defective". This reason code can be used where the goods purchased didn't conform to their description, which covers the main crux of Mr F's issue. So, I have considered the Mastercard rules relating to this specific chargeback reason code.

Mr F has said that the goods were misrepresented because the label on the bottle wasn't attached when he received the goods. He's said and provided evidence to show the picture of the bottle when he made the purchase online, showing the label attached. And the fact the bottle arrived with the label detached, now puts into question the authenticity of the bottle he paid for and received.

P defended the dispute, stating that the description in the listing said the label had been detached. P also explained that the lot was available for Mr F to view before making the purchase – so he could see the items true quality. P explained that it is common for wines of that age for the label to have become detached. And it said that its sales terms and conditions state no claims can be made once the auction has ended.

Where the merchant defends a claim, it is up to Revolut to decide whether or not to take the dispute further and ultimately on to arbitration to be decided by Mastercard – and it would usually only do this if it thought the chargeback had a reasonable prospect of success given the relevant scheme rules.

In this case, Revolut decided not to continue with Mr F's dispute.

I note that Mr F has raised concerns that Revolut didn't allow him to rebut the evidence provided by the merchant; but it wasn't required to do this. It is ultimately up to Revolut to decide whether to continue with the chargeback based on the evidence available and in line with the Mastercard chargeback rules. On this occasion, it didn't think the chargeback had much prospect of success and so decided not to continue with the claim. Based on the evidence available, I don't think Revolut were acting unreasonably here.

Even if Revolut had continued to arbitration, while I can't know for certain what view Mastercard would have held, I think on balance, the merchants' arguments and evidence would likely have been favoured over Mr F's.

I say this because the terms and conditions of the sale which P referred to state: "**Art. 6.- Condition of Lots; No Warranty:** Buyers are invited to inspect lots prior to sale by consultation or via the public viewing period. No claims shall be accepted after the fall of the hammer. Lots are sold "as seen." Catalogue descriptions are professional opinions and do

not constitute a guarantee. Some damage may be noted but the list is not exhaustive. Lots with a low estimate of CHF 1,000 or less have no condition statement. Condition reports are available on request. Photographs, dimensions and weights are for guidance only.”

Ultimately, the terms of the sale require Mr F to have inspected the lot or requested a condition report prior to the sale. And after the sale, no claims would be accepted. In addition, the terms state that lots are sold “as seen”; and the chargeback rules for this reasons code state this chargeback code *“is not available when proper disclosure of the condition of the goods is made at the time of the sale, such as when goods are sold in “as is” condition”*.

I’ve looked at the description of the lot, and under the heading “Condition” it said “étiquette décollée”; which I have seen translates to "label has come off," "unstuck label," or "peeled-off tag". So, I think it’s fair to conclude that the bottle arriving with a detached label is how the condition was described in the information available prior to purchase.

The picture of the bottle did show the label attached, so I can see how Mr F might have thought the label would be attached. But the terms and conditions of the sale state that the pictures are for information only purposes. And I’m persuaded that given the description explained that the label was detached, I think it would be unlikely Mr F’s dispute would have succeeded at arbitration, because the bottle arrived with Mr F as it was described prior to the sale.

I note that Mr F says there has been a misrepresentation under law that governed the sale. I make no finding on this point, as Revolut were only required to consider the chargeback under the strict rules of the card scheme. And in doing so, I don’t think Mr F has lost out by Revolut either not processing the chargeback under the correct code or proceeding to arbitration. But as I’ve explained, if Mr F believes there has been a misrepresentation under law, then he is free to pursue this matter down other avenues with P.

I’ve also thought more broadly about other reason codes which Revolut could have used to process Mr F’s chargeback. But in doing so, I don’t think there are any other reason codes which would have meant that Mr F’s chargeback claim would more likely have been successful.

I’m sorry to disappoint Mr F, but taking all of the evidence available into account, I’ve not seen enough here to persuade me that Revolut have acted unfairly in their handling of the chargeback.

My final decision

For the reasons set out above, I don’t uphold Mr F’s complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr F to accept or reject my decision before 15 May 2026.

Sophie Wilkinson
Ombudsman