

The complaint

Mr M has complained that Revolut Ltd unreasonably refused to refund several disputed transactions which he says he didn't authorise which were paid from his Revolut account. He complained that Revolut didn't stop the transactions when he especially told it to at a time when they were still pending.

Revolut also refused to initiate Mr M's chargeback request.

What happened

Mr M said that on 17 October 2022 he made a transfer from another bank's current account into this Revolut account as he was due to travel for work in mainland Europe and he always used this account when travelling.

The next day as he was packing and getting ready to go to the airport, he noticed payments into his current account with another bank which he didn't recognise and then payments out of his Revolut account to a merchant he said he knew nothing about. Mr M is adamant he wasn't making these payments.

As they were still pending in his Revolut account, he asked Revolut to stop them, but it refused.

Revolut said as the transactions were coherently authorised, it wasn't entitled to stop the transactions completing. There was no point of compromise and consequently it didn't think raising a chargeback would be successful.

So, Mr M brought his complaint to us. The investigator was of the view that Revolut hadn't done anything wrong. Mr M disagreed so his 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.

Having done so I'm not upholding this complaint. I'll now explain why.

I am also dealing with Mr M's complaint against his current account bank which I have dealt with separately. So, this decision simply deals with Mr M's complaint against Revolut. The transactions at issue are the following but please note there does appear to be roughly an hour's time difference with some of the transactions possibly due to the difference between UK time and that on mainland Europe.

Time	Method	Amount	From	To	IP	Device
13:26:22	mobile	\$1,800 (US)	Revolut	disputed merchant		iPhone 15,2
13:30:54	mobile	\$3,060 (US)	Revolut	disputed merchant		iPhone 15,2

13:36:01	mobile	\$900 (US)	Revolut	disputed merchant		iPhone 15,2
13:47:37	mobile	\$3,000 (US)	Revolut	disputed merchant		iPhone 15,2
13:49:01	mobile	\$3,000 (US)	Revolut	disputed merchant		iPhone 15,2
13:50:30	mobile	\$3,000 (US)	Revolut	disputed merchant		iPhone 15,2

Under the Payment Service Regulations (PSR's) Revolut is under a duty to pay authorised transactions. Authorisation and consent under the PSR's are a formal requirement.

'A payment transaction is to be regarded as having been authorised by the payer if the payer has given its consent to the execution of the payment transaction or series of payment transactions of which that payment transaction forms a part.'

'Such consent must be given in the form, and in accordance with the procedure agreed between the payer and its payment service provider.'

As the investigator explained Revolut said each of the above disputed transactions was 3D Secure verified which required the transaction to be authorised through the Revolut app on Mr M's phone after a push notification was sent.

Revolut's evidence shows me that for each of the above transactions a notification was sent to Mr M's app. FaceID was then used to log into the app and authorise the transaction by entering the app passcode. Therefore, once each transaction was authorised it remains pending as Revolut explained until the merchant collects it. Under the PSR's Revolut is under a duty to allow the merchant to collect the transaction, once it had been properly authorised. So, I consider it didn't do anything wrong in refusing to stop the transactions when Mr M asked it to do so.

Crucially in my view, the evidence also shows Mr C used the same mobile phone just minutes later to log into the app using Face ID to report the transactions as disputed via the chat option. And the evidence shows Mr M used the same phone to log in the day before too which is not disputed. There is no evidence of any failed logins either.

There is also no question that Mr M never lost his phone or that other people knew his passcode.

Revolut explained that because the transactions were coherently and properly authorised under the rules for chargebacks any such chargeback would have been unsuccessful and therefore, they didn't pursue this. I don't consider that was wrong in these circumstances. There is no evidence to show me how someone other than Mr M could have made these transactions given how they were processed and authorised and the fact that Mr M clearly had his phone given he contacted Revolut via the chat option some minutes after these transactions. Mr M also told us that Apple told him his phone wasn't compromised in any way.

Consequently, based on the evidence available I don't consider Revolut did anything wrong in refusing to refund these disputed transactions to Mr M.

My final decision

So, for these reasons it's my final decision that don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 29 September 2023.

Rona Doyle
Ombudsman