

## The complaint

Ms W complains that following an attempted transaction involving Revolut Ltd she is missing 30,000 US Dollars. She said the transaction was carried out on Revolut's guidance, but it hasn't done anything to locate the funds.

## What happened

Ms W attempted to transfer 30,000 US Dollars from her bank account to her account with Revolut. She said she instructed her bank in writing which set out the International Bank Account Number (IBAN) for her Revolut account, being the destination account for the funds. This is the means by which bank accounts are recognised across national borders.

Ms W said she entered the transaction details exactly as shown in the Revolut app and so it was incorrect of Revolut to say (on 15 November 2021) the details of the destination account weren't given to her bank. She said her bank asked for a further Bank Identifier Code (BIC) for the Revolut destination account and she wrote to Revolut to ask for that BIC.

Ms W said Revolut provided the BIC code for the transfer in writing on 14 December 2021, and she gave this to her bank. She said the funds were debited from her account but did not arrive in her Revolut account. Ms W said she's asked Revolut many times about this failure, and her bank contacted Revolut *'on several occasions requesting confirmation of credit to the beneficiary. As of today we have not received a reply.'* Ms W's bank provided the Unique End-to-end Transaction Reference number (UETR) and she passed this to Revolut.

Revolut responded to Ms W to say, *'the transaction was not directed to your Revolut account and that also means that the funds will not reflect on your Revolut account.'* Ms W was dissatisfied with this and referred her complaint to our service. She said she's been advised that only Revolut can locate the funds, but it hasn't done anything. She said it's possible the failure may lie with the intermediary bank's BIC, which Revolut told her to use.

Our investigator didn't recommend the complaint be upheld. He said Revolut provided the correct details for the transfer following Ms W's request via its online chat, but the incorrect bank name was used, which meant the money never reached Revolut. He said Revolut, as the receiving bank, wasn't involved in processing the transfer.

Ms W said she couldn't amend the bank name or address on the transfer as this was auto populated once she input the BIC from Revolut. She said the BIC corresponds to the intermediary bank and so if it's wrong it was Revolut's fault. Ms W didn't think Revolut had done enough as her bank had tried to contact it without success to locate the funds. Our investigator agreed and asked Revolut to do more to investigate the location of the funds.

Revolut said the problem was the incorrectly named beneficiary and BIC, but its agent had informed Ms W correctly; *'If your bank is asking for a corresponding BIC...'*, which meant the BIC of Revolut's correspondent bank. It said Ms W's account details were in her app, but it's unclear why she said her bank didn't like them. Revolut said she must have misunderstood the BIC needed to indicate the final beneficiary. And it disagreed that the intermediary bank

had sent funds to Revolut as it doesn't credit its account if instructions don't match its BIC. It said it had chased the funds via the payment message system and other means.

The investigator tried to facilitate the return of Ms W's funds, but said we've been unable to obtain SWIFT code confirmation that Revolut have said they require, and so there wasn't anything further we could do. Revolut said it couldn't get a response from the intermediary bank and so couldn't progress the recall of the funds.

Ms W pursued the banks involved in the transaction and said she had information to allow the intermediary bank to return the funds. But to date the funds haven't been located.

### **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 was sorry to learn about Ms W's missing funds and can well understand why she finds the mystery around this to be frustrating and unacceptable.

In Ms W's latest update to our service, she said *'I should tell [the intermediary bank] that the 30KUSD passed through the IMAD (from the Federal Reserve) passed through on Jan 14, 2021, and then went to [the intermediary bank]. Because I have not yet received the return of funds, I want them to have this info in order to process the recall that I've requested via [her bank]. Advise them that I'm doing a recall.'*

So far as Ms W's complaint about Revolut is concerned, she said her funds were directed to her Revolut account, with the code it gave her. From what I've seen, Revolut provided the correct BIC details to Ms W in order to facilitate the transfer of US dollars, and its full name and address. However, it would appear that Ms W used the incorrect BIC or beneficiary to instruct the transaction. Revolut thinks Ms W put in the intermediary bank by mistake and this stopped the transfer from being directed to Revolut.

According to Revolut it never received the funds into Ms W's account. It said that it was certain that the intermediary bank had not sent the funds to Revolut as it doesn't credit its account if instructions don't match its BIC. This appears to be a reasonable explanation as without the correct coding it wouldn't be appropriate for a bank to accept and allocate transferred funds. Additionally, there is no reason for Revolut to say the funds weren't received if they were.

In the absence of an instruction to transfer the funds to Ms W's Revolut account, I don't think that Revolut received the funds. It follows that Revolut isn't responsible for the failure of the transaction.

Ultimately, when a transaction is incomplete due to an error by the sending bank, it would be the responsibility of that bank to locate and retrieve funds. I understand that the sticking point in tracing the funds has been the lack of an 'MT103' document. This is a standardised payment confirmation used specifically for international money transfers and is accepted proof for the tracing of payments.

I can see that Revolut belatedly attempted to assist Ms W to locate the funds, but needs her to obtain the 'MT103' document to be able to trace them. Both Ms W and Revolut have attempted to gain the document from the intermediary bank, but without success. I hope the efforts of both parties will prove successful in obtaining the document, and following this the recall of the funds. It is open to Ms W to bring a complaint against her bank (the sending bank) about this transaction if she wishes.

I haven't found that Revolut has acted in error and so I can't require it to take any action concerning the transaction, but I hope that it continues its efforts to assist Ms W in tracing the funds.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 7 November 2023.

Andrew Fraser  
**Ombudsman**