

The complaint

Mr S is unhappy Revolut Ltd won't refund transactions on his account which he says he didn't authorise.

What happened

On moving money from his bank account elsewhere to his Revolut account on 30 July 2024 Mr S noticed a number of transactions which were made without his authorisation. The transactions took place between 18 and 19 July 2024 and totalled approximately 1,500 Euros.

Mr S reported his concerns to Revolut once he became aware.

Revolut didn't uphold Mr S' complaint. They said the payments could not be considered unauthorised since they were made using Apple Pay which required involvement from Mr S. And as the purchases were made using Apple Pay there were also no chargeback rights. Our investigator looked into things but didn't uphold the complaint. Unhappy with this outcome Mr S said he wanted an ombudsman to consider the complaint.

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.

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I must reach my decision on the balance of probabilities – so what I consider is more likely than not to have happened in light of the available evidence.

The starting position, in line with the Payment Services Regulations 2017 (PSRs), is that Mr S is presumed liable for payments he authorised and that Revolut is liable for unauthorised payments. This position is reflected in Mr S' account terms and conditions.

My next consideration is whether I think it's more likely than not Mr S, or someone acting on his behalf, consented to the transactions. To consider a payment authorised, the PSRs explain that Mr S must have authenticated and given his consent to the execution of the payment transaction – and that consent must be in the form, and in accordance with the procedure, agreed between him and Revolut.

Internal records from Revolut show the payments in dispute were authenticated using Mr S' Apple Pay facility. It seems that a request was made to tokenise his Revolut card to use Apple Pay on 16 July 2024 and the same digitalised card ID number was then used for all the transactions disputed.

I've thought about what steps needed to be followed to make payments using Mr S's Apple Pay facility. Revolut have provided the process Mr S would have had to follow to set up Apple Pay on his device and have shown that it would have involved his active participation. It included Mr S having to add his Revolut card details to the wallet app of his device which

was then verified by a one-time passcode (OTP) which would have been sent to Mr S's registered phone number. This would then have been followed by another notification to Mr S confirming the card had been added to his Apple Pay facility. The evidence presented suggests login was from Mr S's registered device on 16 July at the time Apple Pay was added.

Internal records from Revolut show an OTP was sent to the same contact number that Mr S gave us and had recorded with Revolut, so I'm satisfied the OTP was sent to Mr S's genuine phone number and that was how Apple Pay was validated. So, it follows that I don't think Revolut did anything wrong in allowing Apple Pay to be set up.

Mr S's card was added to Apple Pay on 16 July, but the payments were not attempted until two days later. What I find unusual is why a fraudster would firstly wait two days before attempting to make the payments, but then make some payments on 18 July and then stop and leave another gap until 19 July to make the final payments. I acknowledge there were some declined transactions, but I find it strange that the fraudster didn't try and maximise access to Mr S's money by draining the account. This doesn't strike me as typical fraudster behaviour.

Mr S said no notifications for the payments disputed were provided to alert him of the account activity as he normally receives on his phone. But Revolut has presented evidence to show that notifications were issued for all payments, including those declined, and that according to their records Mr S may not have seen them because he had disabled his push notifications.

Mr S maintains he retained possession of his phone throughout and that no third party had access to his device. He also confirmed his phone was protected with both a passcode and biometrics. In order to carry out the transactions, a third party would have needed to take Mr S' phone without him realising, unlock it, add the card details including security code two days prior, and then carry out each of the transactions over a two-day period. So, it's difficult to see how someone carried out the transactions without Mr S' knowledge or consent.

Mr S has been consistent that he did not click on any suspicious links and is aware of the possibility of being tricked. He said he works for a bank and is careful. But without any evidence to suggest how his details were compromised, or an explanation as to how someone could have acquired the necessary information to set up Apple Pay and authorise the payments without his knowledge or access to his phone, I can't uphold this complaint.

With all of the above in mind and the evidence presented, I'm satisfied that it's more likely than not that the disputed payments were made using Mr S's Apple Pay facility, on his genuine phone. I've not found any reasonable explanation that they could've been made by another third party without his consent.

Revolut has confirmed that some of the payments were declined due to there being an insufficient balance in the account to accommodate all the requests, and considering the individual value of the payments, I can see why Revolut didn't consider there to be any reason to intervene or provide warnings to Mr S.

In summary, I recognise that this will come as a disappointment to Mr S. But in the circumstances, I'm not persuaded that Revolut can fairly or reasonably be held liable for his loss.

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 S to accept or reject my decision before 2 April 2025.

Sukhdeep Judge
Ombudsman