

## **The complaint**

J complains Zempler Bank Limited trading as Cashplus Bank, “Cashplus”, refuses to refund it for a transaction on its account it says was not authorised.

J’s account is managed by its director, and for ease, throughout my decision I will refer to them as K.

## **What happened**

K says on 9 August 2023 it noticed a transaction on its account that it didn’t authorise. The transaction was made in Turkey, and K says she was in Turkey at the time but did not make the transaction in question. So, it would like Cashplus to refund this money.

Cashplus says the transaction was made using K’s genuine card and PIN via a card machine to make the transaction. And as K told it she had possession of the card and no knows the PIN; it held K liable for the transaction on J’s account.

Our investigator considered this complaint and decided not to uphold it. J was not happy with this outcome, so the complaint has been passed to me to consider. However, no new evidence has been provided from either party.

## **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.

Generally speaking, Cashplus is required to refund any unauthorised payments made from J’s account. Those rules are set out in the Payment Service Regulations 2017. K has said she didn’t carry out the transaction in dispute. So, I have to give my view on whether I think K did authorise the transactions or not.

Where there’s a dispute about what happened, and the evidence is incomplete or contradictory, I must make my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence.

Cashplus has provided evidence to show the transaction was made using K’s genuine card and was verified using the correct PIN. The transaction evidence also shows this was made in Antalya, Turkey and recorded on the account on 8 August 2023. K’s evidence is that she was in Turkey transiting through Antalya at the time. She also says she had the card in her possession at the time and no one else had access to it. She has also confirmed that no one else knows the PIN and she hasn’t written this down or recorded this anywhere. So therefore, as she was the only one with the card and PIN, it seems most likely that it was authorised by K herself.

K is adamant that she did not make this transaction and it must have been made by a fraudster. I’ve considered this carefully alongside the evidence we have. As this transaction was made by reading the card chip, this rules out the likelihood of card cloning. From what

we've seen, only the card's magnetic strip can be cloned, not the chip. And this still doesn't explain how anyone else would've known the PIN to validate the payment. This transaction is also not typical of fraud activity. Usually if a fraudster has access to someone's card and PIN, they will make several transactions in quick succession in order to extract as much money as possible before being detected. So, considering all this evidence together, it still seems more likely this transaction was carried out by K.

K has confirmed she was transiting through Antalya at the time and had her card and PIN. But she has provided evidence from the merchant the payment was made to, stating that it has no record of any transactions on her account for that date and amount. But the merchant is a worldwide business with retail outlets as well as online services. So, I think it is possible K made a payment in a shop for a product or service which relates to this same merchant but is completely separate to their account activity.

Overall based on the evidence I've seen, I don't think this transaction was unauthorised, so I don't think Cashplus need to refund it.

### **My final decision**

For the reasons outlined above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask J to accept or reject my decision before 27 December 2024.

Sienna Mahboobani  
**Ombudsman**