

## **The complaint**

Mr R complains about how TSB Bank plc (“TSB”) handled a claim he made in relation to transactions on his credit card.

Mr R has been represented throughout his complaint. For clarity, I’ve only referred to Mr R throughout this decision.

## **What happened**

Mr R purchased two motorbikes, through a company I’ll refer to as “S”, through his TSB credit card in April 2023. He made five separate payments totalling around £6,278.28 for the motorbikes through an online platform. S was a company Mr R had previously successfully purchased from.

Mr R says S got in touch stating it had accidentally sent him 20 motorbikes and once he received these, he could return them or purchase them. Mr R says he was then sent invoices for tax payments for every country the motorbikes had passed through. Mr R agreed to pay these invoices through a non-TSB bank account because he thought he would be able to keep the additional 18 motorbikes by making these payments. Mr R says the additional payments totalled \$6,873.26. However, Mr R says the tracking number wasn’t real for the delivery of the motorbikes and when he tried to contact S, it had blocked him.

Mr R contacted TSB and let it know he hadn’t received the motorbikes and so, he had lost his money. He said he had never made an international payment before so this should have alerted TSB that these were high-risk payments.

TSB looked into the complaint in October 2023 and said it wouldn’t comment on the subsequent payments that Mr R made after he entered into the contract as these were made from a non-TSB account. It said it would consider Mr R’s complaint under s75.

Unhappy, Mr R referred a complaint to this service and reiterated his complaint.

Our investigator looked into the complaint but didn’t think TSB needed to take any action. She said Mr R had visited the supplier’s premises abroad to make the purchase and arranged delivery of the motorbikes. She said Mr R didn’t receive delivery of the goods and TSB agreed to refund the £6,278.28 Mr R used to transfer to an online platform to purchase the goods. She said TSB hadn’t agreed to refund the further payments Mr R was claiming as these were made from a different bank account. She said these payments weren’t linked payments and there was no valid debtor-creditor-supplier arrangement present. She said s75 didn’t apply and TSB couldn’t prevent the losses with the evidence available to it at the time.

Mr R disagreed and said that scammers were messaging him to obtain further funds which show these entities were linked to S.

As Mr R remains in disagreement, the case 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.

I've read and considered the whole file and acknowledge that Mr R has raised a number of different complaint points. I've concentrated on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it – but because I don't think I need to comment on it in order to reach what I think is the right outcome. The rules of this service allow me to do this.

To make it clear, this complaint is about TSB, as Mr R's credit card account provider. It's not about S, who isn't a financial service provider and so doesn't fall within the remit of the Financial Ombudsman Service.

In this case, there is no dispute that TSB has refunded all the money Mr R paid using his TSB credit card to purchase motorbikes that he says he didn't receive. However, Mr R is also asking TSB to refund him for the additional payments he says he made after entering into the contract.

So, what I need to decide in this case is whether TSB is liable to refund Mr R for the additional payments he made or whether it has unfairly handled Mr R's complaint in any way.

Under s75, TSB is jointly liable for any breaches of contract or misrepresentations made by the supplier of goods or services – which is S in this case.

In order for there to be a valid claim under s75, there needed to be a debtor-creditor-supplier ("DCS") agreement in place. This means the payments needed to have been made under pre-existing arrangements between the creditor (TSB) and the supplier (S) in contemplation of future arrangements between them. The debtor (Mr R) also needs to have a claim against S in respect of a breach of contract or misrepresentation.

Mr R made the purchase on his credit card which was supplied by TSB. I can see the invoice from S is in Mr R's name. TSB have shown the credit card transactions were in Mr R's name to an online platform, which I'll refer to as "P", which didn't appear to be linked to S. Instead, the payments were made to an individual through P. So, Mr R didn't pay the seller of the motorbikes directly. However, the use of P in this arrangement doesn't mean that there is automatically no DCS agreement in place.

I've seen a copy of a text chat between Mr R and a named individual that appears to be representing S. I can see the individual requests that Mr R make two payments of \$1,150 through P and specifies an email address which correlates to the individual's name. The individual also says, "*Strictly Family and Friends*". Mr R made the payment in the way suggested by the named individual and confirmed he had paid \$2,300. He screenshotted this confirmation on P's platform and sent it to S. When Mr R agreed to pay the named individual via P's "*Friends and Family*" option, his TSB card was charged and funds were transferred to the named individual's account with P.

P makes it clear at the point of payment that the "*Friends and Family*" option for sending money is not intended for buying goods and services. P's user agreement prohibits Mr R from paying for goods and services in this way. As a result of this, I don't conclude that the necessary pre-existing arrangements were in place between TSB and S which would result in there being a DCS agreement, as the payment wasn't made in the normal way of paying for goods and services and a payment for goods and services made in this way was prohibited by P.

As a result of this, I don't consider that payments were made under a valid DCS agreement and so, I'm satisfied that Mr R doesn't have a valid claim under s75 against TSB. It also means that TSB isn't liable for any of the consequential payments Mr R has made using a different card provider for the taxes he was told were incurred in different countries to ship the motorbikes.

*Did TSB act unfairly or unreasonably in any other way?*

I've reviewed the documents Mr R has provided for this service to consider. Having done so, I can't see that TSB should have been alerted that any of the payments Mr R was making could have been related to a scam of some kind. This is because Mr R made five different payments over a seven-day period and each payment was less than £2,000. After Mr R made the initial payment using his TSB card, the subsequent payments were made to the same named individual through P and none of the payments were obviously so large that their size alone ought to have caused TSB concern. In addition, the use of P didn't alert TSB or suggest the payments were being made internationally. Overall, I don't think TSB made a mistake when it processed the payments. And so, it follows that I'm not asking TSB to take any further action.

### **My final decision**

I do not uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 27 March 2025.

Sonia Ahmed  
**Ombudsman**