

## **THE COMPLAINT**

Mr C complains that Paynetics UK Limited (hereinafter “Trading 212”) will not reimburse him money he says he lost when he fell victim to a fraud.

## **WHAT HAPPENED**

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview.

Mr C says in September 2024, fraudster(s) telephoned him pretending to be Trading 212. In that call, he says the fraudsters informed him that his account had been involved in fraudulent activity. Further, the fraudsters went through security, confirmed Mr C’s personal details, and asked him to set up a new email password so he could receive a link – in 24 hours – to gain access to his Trading 212 account. Thereafter, Mr C’s Trading 212 account was added to a second mobile device. Consequently, transfers were made between Mr C’s accounts, virtual cards were created, and several card retail related transactions were made. Mr C argues that he did not authorise these transactions.

Mr C disputed the above with 212 Trading. When 212 Trading refused to reimburse Mr C, he raised a complaint, which he also referred to our Service.

One of our investigators considered the complaint and did not uphold it. As Mr C did not accept the investigator’s findings, this matter has been passed to me to make a decision.

## **WHAT I HAVE 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 find that the investigator at first instance was right to reach the conclusion they did. This is for reasons I set out in this decision.

I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

Further, under section 225 of the Financial Services and Markets Act 2000, I am required to resolve complaints quickly and with minimum formality.

### **Key findings**

Under the Payment Services Regulations 2017, there are two things that need to be satisfied for a payment(s) to be considered authorised. They are authentication and consent. Turning to authentication. Based on the technical evidence before me, I am persuaded that the disputed transactions in question were authenticated. I deal with consent below.

I will refer to Mr C’s mobile device as the “First Device”. I will refer to the mobile device

which made the transfers and created the virtual cards as the “Second Device”.

Based on the evidence before me, I can see that the Second Device was added to Mr C’s Trading 212 account on 28 September 2024. The completion of a process (“the Process”) was required to add the Second Device. The Process involved a two-factor authentication code being presented on the First Device, and then the code being used on the Second Device. Mr C’s position is that he never completed the Process – stating he never received the code in question. The suggestion is that a third-party completed the Process and then made the subsequent disputed transactions without Mr C’s consent.

Other than Mr C’s testimony, I have not been provided with any persuasive evidence to support the proposition that a third-party was able to complete the Process. I have not seen any evidence showing that the First Device was compromised in some way. For example, Mr C confirmed to the investigator that he had not downloaded any remote access software to his First Device. For these reasons, I am only able to conclude, on the balance of probabilities, that Mr C had some involvement in completing the Process, which subsequently led to the disputed transactions being made.

In response to the investigator’s findings, Mr C contends that Trading 212 ought to have intervened in the disputed transactions. I recognise that it is arguable that some of the disputed transactions ought to have appeared unusual to Trading 212, thereby prompting it to intervene. I say this primarily because many of the transactions were made in quick succession. However, because of my conclusions about Mr C’s involvement in this matter (set out above), I cannot safely conclude that an intervention from Trading 212 would have made a difference in the circumstances.

### **Conclusion**

Taking all the above points together, I do not find that Trading 212 has done anything wrong in the circumstances of this complaint. Therefore, I will not be directing Trading 212 to do anything further.

In my judgment, this is a fair and reasonable outcome in the circumstances of this complaint.

### **MY FINAL DECISION**

For the reasons set out above, 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 C to accept or reject my decision before 8 January 2026.

Tony Massiah  
**Ombudsman**