

## **The complaint**

Mr G complains that ONMO Limited failed to refund disputed transactions that occurred on his account. He'd like the funds returned and compensation for the impact caused.

## **What happened**

Mr G had an account with ONMO.

In 2024 Mr G raised several transactions as fraudulent with ONMO. They asked him to complete a claim form, which Mr G returned in July 2024. But ONMO didn't action the form and failed to refund all of the disputed transactions until April 2025.

Mr G also complained that he was sent monthly credit card statements asking for repayment for the debt, a default notice and communication from a third-party debt collection agency.

One of our Investigators considered Mr G's complaint. They didn't think ONMO acted fairly. And asked them to pay £300 compensation and remove any negative information recorded against Mr G on his credit file.

But ONMO didn't agree, so it's been passed to me to decide.

On picking up Mr G's decision I shared my initial thoughts with both parties. I explained to ONMO that I thought they should have refunded the disputed transactions sooner. And if they'd done so they wouldn't have sent Mr G payment demands, sold his debt to a third party or recorded negative information on his credit file. I recommended ONMO pay Mr G £500 compensation for the impact caused.

I asked ONMO to reply by 22 December 2025. But they didn't respond, so I've proceeded to issue my decision.

## **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 understand that OMNO have accepted the disputed payments raised by Mr G were fraudulent, and in February and April 2025 removed the outstanding balance from his account. So I be thinking about this any further.

Having reviewed everything I'm satisfied that OMNO didn't act as I'd expect here. Looking at the communication between Mr G and OMNO regarding the disputed transactions I can see that ONMO asked Mr G to complete a claim form identifying the disputed transactions, and this was returned by Mr G in July 2024. Mr G then chased this up over the phone and was advised the form would be considered within ten working days. However, this didn't happen. Due to this error Mr G was sent monthly credit card statements asking for repayment for a debt he didn't owe, a default notice and later communication from a third-party debt collection agency. This understandably caused him distress. In February 2025 OMNO identified their error and refunded part of the disputed transactions with the remainder being

refunded in April 2025. But, based on what Mr G's shared, including letters chasing debt repayment, I can't see that ONMO have notified the third-party debt collection agency to stop chasing the debt.

Mr G's explained how ONMO's failure to initially refund the disputed transactions has caused him significant problems. He's shared evidence of a reduction in his credit score, rejected applications, and letters from a debt collection agency. I'm aware that Mr G also has a missed payment for another business on his credit file, however I still think it's likely the missed payments recorded against him from OMNO will have caused his credit worthiness to drop considerably.

### **Putting things right**

Based on the length of time Mr G's credit file has been impacted, and the impact caused to his mental health, I think £500 is fair compensation. I'd also expect OMNO to put Mr G back in the position he was in prior to the fraud - this includes removing any negative information from his credit file and informing the third-party debt collection agency to remove any negative information, write off and stop chasing the debt.

### **My final decision**

My final decision is I'm upholding Mr G's complaint and directing OMNO Limited to:

- Pay Mr G £500 compensation
- Remove all negative information, including missed payments and defaults, from Mr G's credit file
- Contact the third-party debt collection agency and ask them to remove any negative information recorded against Mr G on his credit file, write off and to stop chasing the debt.
- If Mr G wishes provide him with a new ONMO account

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 5 February 2026.

Jeff Burch  
**Ombudsman**