

The complaint

Mr A complains Nationwide Building Society (“Nationwide”) refuses to refund him for transactions on his account he says he didn’t authorise.

What happened

The facts of this complaint are well-known to both parties, so I won’t repeat them in detail here.

In short, Mr A says he returned from a trip to Turkey on 18 December 2024 and a few months later he discovered unauthorised transactions on his account between 22 December 2024 and 18 March 2025. These transactions are a mix of contactless payments, chip & PIN payments and ATM withdrawals all carried out in Turkey. Mr A says he hasn’t given his card or PIN to anyone to use on his behalf, but he thinks his cleaner in Turkey stole his card, replaced it with a dummy card and shoulder surfed him using his PIN when he was last in Turkey. Mr A says the disputed transactions should be refunded by Nationwide.

Nationwide considered Mr A’s complaint but decided not to uphold it. It says it was not given persuasive evidence of how his PIN could’ve been compromised. It also says the evidence shows Mr A had been logging on to his online banking during the period the disputed transactions were being made, but he didn’t report these till much later. But as he had sight of these transactions it would’ve expected him to flag them if they had been unauthorised.

Our investigator considered this complaint but felt it was more likely than not that Mr A had made his card and PIN available to someone else to use and had therefore given this third party the authorisation to make payments on his behalf. So, the complaint was not upheld. Mr A was unhappy with this outcome, so the complaint has been passed to me for a final 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’d like to reassure both parties that although I’ve only given an overview of what happened, I’ve read and considered everything we’ve been provided in its entirety.

When considering what’s fair and reasonable, I’m required to take into account relevant law and regulations; the regulator’s rules, guidance and standards; the codes of practice; and, where relevant, what I consider good industry practice at the relevant time.

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.

Generally speaking, Nationwide is required to refund any unauthorised payments made from Mr A’s account. Those rules are set out in the Payment Service Regulations 2017. Mr A has

said he didn't carry out the transactions in dispute. So, I have to give my view on whether I think Mr A did authorise the transactions or not.

The transactions in dispute were made using the actual card chip and Mr A's PIN. Chip technology is complex and sophisticated, and there have been no known instances when the chip in the card has been successfully copied. Mr A hadn't reported his card as lost or stolen to Nationwide, and he said he still had his card in his possession when he reported the disputed activity, however, Mr A hasn't provided evidence of the card being in his possession still. So, I think whoever made these transactions had physical possession of Mr A's card.

Mr A also says he hadn't shared his PIN with anyone else, however, I've not seen any evidence of failed PIN attempts. There are 10,000 possible combinations of a four-digit PIN, so it's most likely anyone would correctly guess a PIN. So, whoever used Mr A's card must have known the correct PIN. The key factor here is how anyone other than Mr A, or someone authorised by him, could have obtained the card and found out the correct PIN.

Mr A says he thinks his cleaner in Turkey could've replaced his card with a dummy card and could have shoulder surfed him entering his PIN at some point. I've considered what Mr A has said, alongside the other available evidence and overall, I'm not persuaded by what he has said, and I'll explain why.

Mr A's explanation of how his PIN was compromised wasn't provided until recently, and after Nationwide and our Service highlighted that there was no evidence of a PIN compromise. So, I am inclined to think that there was no specific instance where Mr A felt he was shoulder surfed by his cleaner, but he has induced this as a possibility after hearing that there his complaint has failed on the basis that there is no evidence of how his PIN was compromised. Mr A has also not been able to explain how and when someone else was able to take his card. However, the evidence clearly shows that the transactions in dispute were called out using the physical card and PIN.

Mr A told us he doesn't check this account often as it isn't his main account. However, Nationwide has also provided evidence to show that Mr A had logged into his online banking many times during the period of disputed transactions, however, he didn't flag any transactions as unauthorised at the time and allowed these disputed transactions to continue for months after.

I've also seen several instances during the period of disputed transactions where payments were declined due to insufficient balance on the account, but the account is topped up minutes after the declined payment and then attempted again. This suggests that Mr A was aware the account balance was low and also that the user of the card was aware when the account was then topped up again. Mr A says he often puts money away into this account, and that shouldn't be construed as him topping up the balance for the fraudster to spend on it. However, as outlined by the investigator, there are instances where the account is topped up minutes after a declined transaction and then the same transaction is attempted again minutes after the top up. And this kind of activity seems more than coincidental to me.

The account usage that Mr A disputes is also not typical of fraud, especially in the event of someone else having the card and PIN. In cases of fraud where the card and PIN is compromised, we would expect to see maximum card withdrawals a day, and payments made in quick succession for large amounts in an attempt to extract as much money as possible before being detected. The disputes account activity here looks more like daily spending, which is similar to the daily spending Mr A made when he was in Turkey. So, I am not persuaded this spending was carried out by a fraudster without Mr A's knowledge.

Overall, I am not persuaded the transactions in dispute are unauthorised. As outlined above I am not persuaded that Mr A's card and PIN were compromised, and I am not persuaded that Mr A was not aware of the spending that took place on his account during the three months in question. Therefore, I am not persuaded these transactions were unauthorised.

My final decision

For all the reasons outlined above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 19 November 2025.

Sienna Mahboobani
Ombudsman