

complaint

Mr V complains that NewDay Ltd won't refund fifteen transactions made from his credit card account in October and November 2013 which he says he didn't carry out or allow somebody else to make.

background

Mr V says he keeps his credit card in his car as he travels around a lot for work.

At the end of November 2013, he spoke to NewDay to say that he'd lost his credit card about a month before. He told NewDay he'd last used the card to buy something from an online retailer. Mr V told NewDay that he didn't recognise any of the transactions after that date.

Overall, Mr V says he doesn't recognise fifteen transactions. All of these were made using Mr V's credit card. NewDay says that all of the disputed transactions, apart from those which were online purchases, used Mr V's personal identification number (PIN).

One of our adjudicators looked at the information and evidence from Mr V and NewDay. And thought that NewDay didn't need to refund the transactions to Mr V. Mr V didn't agree with this. So the complaint has been passed to me for a decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. There's more information about disputed transactions on our website and I've taken this into account in deciding Mr V's case.

From what Mr V has said, I can see that it's unlikely that a third party took the card without Mr V's knowledge or permission. However, even if this is what happened, they still would've needed Mr V's PIN. But Mr V says he hadn't written down his PIN and didn't give it to anyone to make these disputed transactions.

So the adjudicator thought about whether someone could have seen Mr V enter his PIN previously and remembered it. However, the first transaction disputed by Mr C was carried out 3 weeks after Mr V had last used his credit card and his PIN. Mr V suggested to the adjudicator that someone might have seen his PIN, monitored his whereabouts and then waited a few weeks before making any attempt to use the credit card. But I don't think it's likely that this happened.

Looking at the transactions, they are quite small and spread out over a number of weeks. From the credit card statements I've been given, I've noticed that a number of the disputed transactions are in the same shops that Mr V had used his credit card in the months before. This is unusual behaviour for someone who is fraudulently using a credit card. They'd normally try to spend a lot of money over a short period of time.

Also, once Mr V reported this to NewDay no further attempts were made to use the credit card. And I don't know how the fraudster would've known it'd been blocked.

Taking everything into account, I agree with the adjudicator that there are two likely explanations for what happened in this case. Either Mr V made the transactions himself or he allowed a third party to use his credit card and his PIN. In both cases, the disputed

transactions would've been made with Mr V's authority. This means that NewDay don't need to refund those amounts to Mr V's account.

It follows that I don't uphold Mr V's complaint against NewDay.

my final decision

My final decision is that I don't support Mr V's complaint and so there's nothing NewDay Ltd needs to do to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 13 May 2015.

Rebecca Ellis
ombudsman