

## **complaint**

Miss K complains that National Westminster Bank Plc unfairly holds her liable for a debt that came about through fraudulent activity on her account after she had reported her bank card as missing.

## **background**

Miss K had a current account with NatWest, for which she held a debit card. Miss K says that her wallet was stolen and that she noticed this the next day and reported her card to NatWest as missing. She recalls that NatWest said it would keep an eye out and get back to her if anything unusual was noticed.

Having heard nothing from NatWest and as the wallet was still missing, Miss K says that she contacted NatWest the next day and, again, was told not to do anything and that someone would get back to her. She says that, despite her making repeated enquiries, NatWest did not take any action to block her account and she later discovered that someone had been trying to transfer money in and out of her account.

Fraudulent payments had been made into the account, and the money then drawn out again by means of card transactions and online transfers. This had left the account with a debt of over £6,000 which NatWest asked Miss K to pay. NatWest closed the account and later instructed collections agents to act in the matter.

Miss K said that the debt was nothing to do with her, and was caused because NatWest was negligent in not taking action to prevent the fraud. NatWest did not agree and was not willing to write off the debt.

As matters remained unresolved, Miss K brought her complaint to this service where it was investigated by an adjudicator. From the evidence, the adjudicator concluded that NatWest was entitled to hold Miss K liable for the debt on the account and so did not recommend that the complaint should succeed.

Miss K did not agree with the adjudicator's conclusions and asked for her complaint to be reviewed. She said she would respond with her comments about the adjudicator's letter by the end of January 2015, but did not do so.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Miss K says she remembers having the card until the afternoon of 7 February, thinks it must have been stolen that evening and first noticed it gone the following day – after which she reported it missing to NatWest.

But, long before that point, fraudulent credits had already been paid into Miss K's account. Miss K says this must have been done by a fraudster. There is no indication of how a fraudster was able to obtain Miss K's account number and sort code (which would have been necessary, in order to pay the credits in).

A large online transfer was made from the fraudulent funds in the current account into a savings account held in Miss K's name – this was subsequently reversed by NatWest. Miss K says that the online transfer must have been made by a fraudster who hacked into her online banking facility, and that the fraudster must also have first opened a savings account in her name.

Again, there is no obvious explanation for how a fraudster was able to obtain Miss K's online banking customer number, PIN and password – and sufficient information to be able to open a savings account in her name. It is also unclear why a fraudster who was for some reason intent on passing fraudulent money through Miss K's current account would first go to all the trouble of opening a savings account in her name.

The card and its PIN were used to draw funds, which Miss K says must also have been done by a fraudster. Initially, Miss K told us that she memorised the PIN and destroyed the PIN notification as soon as she got it, and that she did not keep any form of record of the PIN. That accorded with what she had told NatWest since 2012. However, she later told us that she had kept a note of the PIN in her wallet with the card, amongst some receipts. Miss K has provided no reasonable explanation of why her evidence on this point has changed so substantially.

Overall, I have found Miss K's representations inconsistent and implausible. I am not persuaded that the various payments out of her account were unauthorised and I find that NatWest may hold her liable for the debt.

### **my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss K to accept or reject my decision before 20 April 2015.

Jane Hingston  
**ombudsman**