

## **The complaint**

T complains that TIDE PLATFORM LTD (“TIDE”) won’t refund transactions totalling £51,864.50 which it says it didn’t authorise.

Mr H – sole director of T – brings the complaint on T’s behalf.

## **What happened**

In brief summary, T has explained that between October 2020 and February 2022 transactions totalling £51,864.50 were debited from its account which it didn’t authorise. The payments (of which there were 38) have been set out in detail elsewhere and were essentially to four entities: Trading212, eToro, ‘UNS’, and PayPal.

T complained to TIDE but they were unable to reach agreement, so he referred his complaint about TIDE to us. As our Investigator couldn’t resolve the matter informally, the case has been passed to me for a decision.

I sent T and TIDE my provisional decision last month explaining why I was intending to uphold this complaint in part and that I’d consider any more comments and evidence I got from the parties by 15 December 2023 before finalising my decision. Now that both parties have had fair chance to respond, I’m ready to explain my 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.

Having done so, I’ve reached the same conclusions as in my provisional decision and for the same reasons. I’ve explained why again below.

I’m very aware that I’ve summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I’ve focussed on what I think is the heart of the matter here. If there’s something I’ve not mentioned, it isn’t because I’ve ignored it. I haven’t. I’m satisfied I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Generally speaking, TIDE is required to refund any unauthorised payments made from T’s account, and T should only be responsible for transactions made on its account that it has authorised itself. Those rules are set out in The Payment Services Regulations 2017. T has said it didn’t carry out the transactions in dispute. So, I have to decide whether or not I think T did authorise the transactions.

The disputed payments to Trading212 number 27. All were made by card and between October 2020 and December 2021. And they total over £45,000. TIDE has provided technical evidence from which I’m satisfied these payments were authenticated. In order to

decide they were authorised, however, I also need to be persuaded that T most likely consented to them. In this regard, I understand Mr H has said neither his card (for T's account) nor his phone have been missing. And I'm satisfied from TIDE's technical evidence that some of these transactions to Trading212 were authenticated not just with the card details but also using 3DS. What this means is I'm satisfied, for at least some of these transactions, that in order for them to be authenticated, access to Mr H's phone would have been needed.

The disputed payments to eToro number six. Three were made by card between 30 December 2021 and 6 January 2022. The remaining three were made by bank transfer on 21 February 2022. And together, all six payments total over £5,000. TIDE has provided technical evidence from which I'm satisfied these payments were authenticated. Again, in order to decide they were authorised, however, I also need to be persuaded that T most likely consented to them. And again, I understand Mr H has said neither his card (for T's account) nor his phone have been missing. And I'm satisfied from TIDE's technical evidence that all three of the card payments to eToro were authenticated not just with the card details but also using 3DS. What this means is I'm satisfied, with regards to all three card payments to eToro, that in order for them to be authenticated, access to Mr H's phone would have been needed. Furthermore, with regards to the three bank transfers to eToro, TIDE has explained that these can only be made via its phone app or a web version of the app; and if the payment is made via the web, approval will be sent to the member's device in order to proceed with the transfer; and if the transactions were initiated directly from the app, T would have needed to authorise them by entering its security code or by scanning its biometrics (if above £500, which two of the three payments were). I've no reason to doubt this, so again, in order to make these bank transfers, access to Mr H's phone would have been required.

#### Did T most likely authorise the payments to Trading212 and eToro?

I've thought about this carefully. And I've taken on board what Mr H has said about him suffering ill health and him being in and out of hospital. We've asked him for more information and evidence about this to better understand things. But in the absence of further persuasive information provided by Mr H, I'm not persuaded this would explain things. It seems Mr H has been very clear T's card and phone have always been in his possession. I also note that the disputed transactions are spread over a period 16 months (from October 2020 to February 2022) which isn't really what I'd expect to see if a third-party fraudster made the transactions. I also note I've seen information that suggests the eToro account into which the bank transfers were made was held in the name of Mr H. It seems unlikely a third-party fraudster would have moved money from T's account to Mr H's eToro account. So, whilst I understand Mr H will be disappointed, all of this together – including what I've said above about access to both T's card *and* Mr H's phone being needed – persuades me here that it's most likely that T consented to the transactions to Trading212 and eToro and so TIDE doesn't need to refund them.

#### PayPal and 'UNS'

Our Investigator explained that they weren't persuaded T consented to the transactions made to PayPal and 'UNS', so they recommended that TIDE refund them. I note that TIDE hasn't in response disputed this. And I don't think the Investigator's recommendation on these transactions is unreasonable. So I'm satisfied TIDE should refund T these transactions, which total £835.80, and pay T interest on this amount calculated at 8% simple per year from the date each payment was debited from T's account to the date of settlement.

I understand T has pointed to these transactions and said if these transactions were unauthorised, why aren't the Trading212 and eToro transactions being regarded as unauthorised too. But it doesn't automatically follow, if the payments to PayPal and UNS

were unauthorised, that the Trading212 and eToro ones were too. And I've explained above why I'm not persuaded I could reasonably conclude in this case, on the information presented, that it's most likely T didn't authorise the payments to Trading212 and eToro. I haven't seen a reasonable and persuasive explanation as to how the payments to Trading212 and eToro could most likely have been made without T's knowledge.

### **My final decision**

For the reasons explained, I uphold this complaint in part and I direct TIDE PLATFORM LTD to pay T:

- £835.80; plus
- interest on this amount calculated at 8% simple per year from the date each payment was debited from T's account to the date of settlement (if TIDE deducts tax from this interest, it should provide T with the appropriate tax deduction certificate).

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 16 January 2024.

Neil Bridge  
**Ombudsman**