

## **The complaint**

Mr S complains that ICICI Bank UK Plc (ICICI) won't refund him after he was the victim of an investment scam.

Mr S is represented by a third party, but for ease of reading I'll refer to Mr S only.

## **What happened**

There is limited information and evidence to show what happened in this case, but Mr S says he was added to a group on a popular messaging platform, about investing in cryptocurrency. This contact appears to have been unsolicited. He says he watched the messages on the group for 10 days and carried out checks on the company before deciding to invest. It appeared to be run by professionals at a recognised cryptocurrency exchange. He indicates that expected daily returns of 7% of the investment were mentioned.

Mr S made a single payment of £7,000 from his account with ICICI to a digital wallet on 18 May 2023.

I understand the money was sent from that wallet to a cryptocurrency exchange and then transferred to another digital wallet Mr S had set up through a link provided by the scammers and I understand this wallet was controlled by the scammers.

Mr S says he was able to start with a small investment that seemed to produce good growth, but he says he realised this was a scam when the scammers later requested a further £30,000 to generate an expected return of £2,600, which he thought was too good to be true.

ICICI won't refund Mr S's money. It says customers transferring money to cryptocurrency providers is a breach of its account terms and conditions, but in any event this payment was made to a legitimate digital wallet provider. It says it contacted the beneficiary to request a return of any remaining funds, but this was unsuccessful.

Mr S says the payment was out of character and above £5,000, which he thinks is the level at which the Financial Ombudsman Service suggests a bank should be prompted to intervene. He also said the payment was being sent to a cryptocurrency exchange, which should have raised further suspicions. He says bank intervention would have uncovered the scam.

Our investigator didn't think the transaction was unusual, as Mr S did make occasional high-value payments. The investigator was dealing with another complaint from Mr S concerning other payments from another of Mr S's banks, where he had transferred money to the same investment at roughly the same time. In that case, the bank had intervened and she noted that Mr S had told the other bank that his cryptocurrency account had been open for two years and he wanted to make a transfer even though he'd been warned about the risks. On that basis, she thought it was likely Mr S would have gone ahead with the payment even if ICICI had intervened.

## **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 don't agree with the suggestion that ICICI ought to have intervened because the value of the payment was above £5,000. I consider ICICI ought fairly and reasonably to:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism and preventing fraud and scams.
- Have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

Before I turn to the issue of whether ICICI should have intervened, I've considered whether I think Mr S has provided persuasive evidence that he suffered a financial loss due to a scam. And I don't think he has. On that basis, I don't consider it would be appropriate to uphold his complaint. But even if I accept Mr S was the victim of a scam, in the way he describes, I'm not satisfied ICICI ought to have prevented the loss.

On balance, I don't think the £7,000 transaction to Mr S's own digital wallet was sufficiently unusual activity, for his account, to have prompted intervention by ICICI. While Mr S's account generally appears to have been used for everyday spending, Mr S did make occasional large payments of £1,000 or more from the account. These included a £5,000 payment a few days before the £7,000 payment in question. I understand that the £5,000 payment is not in dispute and appears genuine. So, whilst higher value payments were relatively infrequent on Mr S's account, they did take place from time to time. The account remained well-funded after the £7,000 payment, so this wouldn't necessarily have appeared as an attempt to drain the account by fraud. And aside from a small £10 transaction to the digital wallet, which I don't consider would have caused any concern, there were no other transactions to this digital wallet, so it wouldn't have appeared to be part of a pattern of suspicious transactions.

Overall then, as I don't consider ICICI was at fault for not identifying this payment as potentially fraudulent, I don't uphold Mr S's complaint.

## **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 November 2024.

Greg Barham  
**Ombudsman**