

## **The complaint**

Mr G is unhappy Lloyds Bank PLC won't refund payments he says he made to investment scams.

## **What happened**

The details of this complaint are well known to both parties, so I will not repeat them again here. The facts are not in dispute so I will focus on giving the reasons for my decision.

As we've already set out to Mr G, this complaint only concerns transactions from 2018 and March 2021, as the other payments have already been dealt with by our service under a different case.

I note while our investigator focussed on the payments Mr G made from October 2018, he did start investing in August 2018. He detailed how the investment started, including mentioning these initial payments, to Lloyds when he complained.

## **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 agree with the conclusions reached by the investigator for these reasons:

- I haven't seen persuasive evidence that Mr G was the victim of a scam. While I appreciate Mr G's point that scammers are sophisticated and act to avoid detection, our service has to decide what's most likely on the evidence we do hold.
- Our service uses data from official organisations to help us determine if someone has been the victim of a scam. There are no warnings published by these organisations about the firms Mr G paid.
- Further, there's information online which suggests firm 'E' was regulated abroad at the time Mr G dealt with it. And that it's recognised by our regulator as a genuine firm, as it published details of a clone firm and highlighted E as the genuine entity. This regulation doesn't therefore indicate it was a scam.
- While E's regulatory status later changed, there are a number of explanations that could be given for this, many legitimate ones. So this in itself isn't evidence that shows E was a scam at the time Mr G invested.
- In August 2018 Mr G started investing small amounts with E. And in October 2018, he made payments totalling £9,000. But by February 2019, only 4 months later, he'd received returns of over £2,600. This doesn't fit with the usual pattern we see for scam firms; this is a comparatively high return.
- Mr G has explained he didn't withdraw these funds. He's said he did try and withdraw

and wasn't able to. But then these funds were (separately) just paid to him by E, possibly to gain his trust. But Mr G didn't pay in any further funds after October 2018, it's unclear why a scam firm would proactively give him money, especially a large sum months later, when he'd stopped investing. And we've seen no evidence of declined withdrawals.

- I accept Mr G has told us he was dealing with a different firm to the one he paid in March 2021. And the firm he dealt with does have some concerning information available about it now. But the firm Mr G paid doesn't have this same negative information. And I've seen no contemporaneous evidence of his dealings with the other firm or evidence they were linked with the firm he paid.

For these reasons, we don't hold enough evidence to show Mr G has been the victim of a scam in relation to these investments, so I don't uphold this complaint.

### **My final decision**

For the reasons set out above, I don't uphold Mr G's complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 18 July 2024.

Amy Osborne  
**Ombudsman**