

The complaint

Mr O complains that Nationwide Building Society (Nationwide) is refusing to refund him the amount he lost as the result of a scam.

Mr O is being represented by a third party. To keep things simple, I will refer to Mr O throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr O received a message via social media from an individual I will call "X" that he had never met before giving details of an investment opportunity. Mr O looked over X's social media account and decided to invest.

Initially Mr O could see he was making a profit on his investment but when he attempted to make a withdrawal, he was told he would have to make further payments first in relation to a customs declaration. At this point Mr O did further research and found he had fallen victim to a scam.

Mr O has disputed the following payments made from his Nationwide account:

Payment	Date	Payee	Payment Method	Amount
1	3 May 2020	Coin Consulting	Transfer	£300.00
2	21 May 2020	Otc Crypto Ltd	Transfer	£1,000.00
3	23 May 2020	Jtuktrading Ltd	Transfer	£3,000.00
4	25 May 2020	Jtuktrading Ltd	Transfer	£2,000.00
5	3 June 2020	Jtuktrading Ltd	Transfer	£3,000.00
6	3 June 2020	Otc Crypto	Transfer	£3,100.00
7	13 July 2020	Bidwiss Group	Transfer	£400.00

Our Investigator considered Mr O's complaint and didn't think it should be upheld. Mr O disagreed, so this complaint has been passed to me to decide.

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.

It has not been disputed that Mr O has fallen victim to a cruel scam. What is in dispute is whether Nationwide should refund the money Mr O lost due to the scam.

Recovering the payments Mr O made

Mr O made payments into the scam via Transfer. When payments are made by transfer

Nationwide has limited options available to it to seek recovery. In any event Mr O didn't make the disputed payments to the scammer directly, instead the payments were made in exchange for cryptocurrency, and it took further steps for these funds to be sent to the scammer. So, any attempt to recover the payments would have no prospects of success.

Should Nationwide have reasonably prevented the payments Mr K made?

It has been accepted that Mr O authorised the payments that were made from his account with Nationwide, albeit on X's instruction. So, the starting point here is that Mr O is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Nationwide should have been aware of the scam and stepped into question Mr O about the payments he was making. And if it had questioned Mr O would it have been able to prevent the scam taking place.

The payments Mr O has disputed were made over a six-week period and were not individually for values I would expect to cause Nationwide to have concerns. And while some of the payments could potentially be identified as cryptocurrency related, at the time Mr O made the payments cryptocurrency investment scams were not as common as they are today so I wouldn't have expected Nationwide to have been as aware of the risk associated with cryptocurrency related payments.

With the above in mind, I don't think it was unreasonable that Nationwide didn't intervene when Mr O made the payments he has disputed, it would not be reasonable for me to say Nationwide should have intervened every time one of its customer's made a moderate size payment to a new payee. Therefore, I don't think Nationwide is responsible for Mr O's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 7 July 2025.

Terry Woodham
Ombudsman