

The complaint

Miss H complains that Starling Bank Limited ('Starling') won't reimburse the money she lost when she says she fell victim to a scam.

What happened

Miss H says that she was introduced to an investment opportunity with a company I'll refer to as V by an employee of a different company, A. She was advised that she would be helped to trade in cryptocurrency and her investment was guaranteed to double each day.

I have set out in the table below the payments Miss H made towards the investment. M was Miss H's superior.

Date	Method	Amount	Payee
18/11/21	Card	£84	Crypto provider
27/11/21	Transfer	£10,000	M – an individual
05/01/22	Transfer	£2,382	M – an individual
30/01/22	Transfer	£257	A
Total		£12,723	

Miss H says she became concerned when she didn't receive any returns and was unable to access A's portal. She later discovered there was an FCA warning about A and that other investors were unable to withdraw funds.

A scam claim wasn't raised with Starling until Miss H's representative issued a letter of complaint in January 2024. Starling asked some detailed questions to understand what happened but did not receive a response. Ultimately, Starling said it was unable to reach a decision because insufficient evidence had been provided.

A complaint was raised with this service.

Our investigation so far

The investigator who considered this complaint didn't recommend that it be upheld. She said there was no persuasive evidence to substantiate that payments to the cryptocurrency exchange and M related to a scam. And whilst this service has seen evidence that links A to a scam, there was no evidence to connect Miss H's payment with the scam. In any event, even if there was, Miss H wouldn't be entitled to a refund under the CRM Code as Starling could fairly rely on an exception to reimbursement.

Miss H didn't agree with the investigator's findings. She provided a statement and the following additional evidence:

- screenshots from V's portal showing pending rewards
- a screenshot of a message sent on 7 December 2021 which mentions a £10,000 payment to V

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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – in other words on what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

I have reached the same outcome as the investigator, and for the same reasons.

I have seen no evidence to confirm what any of the payments were for or that they related to an investment with V. Messages and other evidence haven't been provided and the majority of the questions posed by both Starling and this service haven't been answered. It is for Miss H to prove her loss and she has failed to do so.

The first payment was to a cryptocurrency provider but statements from that provider haven't been forthcoming. The most significant payments were to M. The only explanation for why payments were made to M was that he was an 'upline' and would pass funds on, but there is nothing to support this. When the payment was made Miss H initially responded to questions asked by Starling and said that it was for an investment. She deleted this answer and said it was for 'Paying a family member or friend'. There is also no evidence of why Miss H paid A £257.

Starling asked questions around payments to another individual that Miss H also claimed to be scam transactions, including a £4,000 transfer the day before the £10,000 transfer to M. Starling noted that Miss H hadn't claimed for all transactions to that party and that she had received payments from them. Miss H's representative confirmed to this service that these payments had been claimed in error. Given this error, it's hard to trust Miss H's testimony about the transactions in the table.

The very limited information Miss H has sent to this service doesn't go far enough to persuade me she lost funds that were invested with V. The screenshots showing pending rewards could relate to anyone, and there is no name on the message that refers to a £10,000 payment to V.

Overall, I can't fairly ask Starling to reimburse Miss H.

My final decision

For the reasons stated, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 14 April 2025.

Jay Hadfield
Ombudsman