

The complaint

Mr T complains that Santander UK Plc didn't do enough to prevent him losing money to a scam.

Mr T has used a representative to bring his complaint. But, for ease of reading, I'll mostly just refer to Mr T himself where I also mean the representative.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In 2019 Mr T says he was the victim of a scam. He describes how he was looking for investment opportunities and found a company 'E' who he thought could assist him. He says he found them to be very professional and knowledgeable.

Ultimately Mr T says he used his Santander debit card to make two payments to E. These were on 23 October and 15 November 2019, for £3,192.41 and £6,170.78 respectively. Mr T says he was able to see his money being traded on his behalf by E with the activity all visible on his platform with them. Mr T says that there started to be losing trades, and his account ended up at zero. Yet E continued to try to convince him to invest more. At this point, he says he realised he'd been scammed.

Mr T complained to Santander who didn't offer any redress, the matter was referred to our service and one of our Investigators didn't recommend the complaint should be upheld. In summary, she wasn't persuaded that E were operating a scam as Mr T has alleged. Mr T didn't accept this outcome and asked for an Ombudsman to review his complaint. In June 2025 I issued a provisional decision in which I said:

"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'm intending to reach the same outcome as our Investigator and for similar reasons. But as I'm providing some additional reasoning (around potential recovery), I'm issuing this provisional decision so both sides have a further opportunity to comment. There isn't an automatic right to a refund from Santander in relation to payments made as a result of an alleged scam. Santander are generally expected to follow the payment instructions of their customers (like Mr T), and they are under no obligation to provide investment advice. But they should also be alert to the risk of fraud, scams and the misappropriation of funds.

Not every complaint referred to us and categorised as an investment scam, is in fact a scam. Some cases simply involve high-risk investments which resulted in disappointing returns or losses. Some of these investments may have been promoted using sales methods that were arguably unethical and/or misleading. However, whilst customers who lost out may understandably regard such acts or omissions as fraudulent, they do not necessarily meet the legal threshold or burden of proof for fraud.

Having thought about this, I'm not persuaded that at the relevant time E was operating a scam. I say this because:

- At the relevant time E was regulated in a jurisdiction outside the UK, and it would be unusual for those operating a scam to agree to comply with the requirements of regulation.*
- The International Organization of Securities Commissions (IOSCO) is an international body that brings together the world's securities regulators. I've found no adverse information about E from the relevant time to Mr T's payments (or indeed any of the business names materially connected to E) recorded on IOSCO's Investor Alerts Portal.*

I've taken account of negative press information and other factors that Mr T has raised, including the Financial Conduct Authority's press release in May 2021 which 'identified concerns with the sales and marketing practices of E' and removed their authority to offer services to UK customers. But none of this proves that E were operating a scam when Mr T made his payments back in 2019.

So whilst I understand this will be disappointing for Mr T, I'm not persuaded there is sufficient evidence to support that E were operating a scam at the time he made his payments. And as I've covered above, whilst banks have obligations to be alert to fraud and scams, there is no obligation to protect against bad bargains or to provide investment advice. So, as I'm not sufficiently persuaded E was operating a scam, I can't fairly say there would have been any reason for Santander to have intervened and have done more than they did before processing his payments.

As these were debit card payments, the only possible potential avenue for a recovery would be the chargeback scheme. But by the time Mr T raised this with Santander, he was outside of the applicable scheme time limits. So I don't think Santander reasonably could've done anything to help Mr T try to recover his lost funds.

For completeness, I'm also satisfied that the Lending Standards Board's Contingent Reimbursement Model (CRM Code) isn't applicable to the circumstances here. This was a voluntary scheme which was in place at the relevant time through which victims of scams could sometimes receive reimbursement from the banks involved. But in this case, as I've set out above, I'm not persuaded that Mr T's payments were made as the result of a scam, and secondly the CRM Code doesn't apply to debit card payments.

Overall, I'm sorry to hear Mr T lost the money he did. But as I'm not persuaded this is something that Santander can fairly be said to be responsible for, there isn't a reasonable basis upon which I can require them to do more to resolve this complaint."

Santander responded and said they had nothing further to add. Mr T responded and asked for a final decision to be issued.

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.

Whilst Mr T responded to say he wanted a final decision, he didn't raise any additional points or provide further comments or evidence. So as neither party provided anything further for

my consideration, I see no reason to deviate from the outcome explained in my provisional decision.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 7 August 2025.

Richard Annandale
Ombudsman