

The complaint

Mr O complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ("NatWest"), have failed to refund money that he lost as part of an investment scam.

What happened

Mr O came across a company that purported to be an investment firm, but he says it was actually a scammer that I will call C. Mr O was persuaded to make around five payments from his NatWest account to a crypto exchange totalling over £5,000 via faster payment. The funds were then converted into crypto and were then sent to C.

C was due to pay Mr O daily returns, but after a certain point, these returns did not continue to materialise. At this point Mr O realised he had been scammed.

Mr O raised a complaint with NatWest, as he believed that it should have stopped him from making the payments in question.

One of our investigators looked into this matter and they did not uphold this complaint. They believed that Mr O had not sufficiently demonstrated that he had been scammed,

Mr O did not agree with these conclusions. So his complaint has been passed to me to issue a final decision.

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 the following reasons.

In broad terms, the starting position is that NatWest is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

But, taking into account relevant law, regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that NatWest should:

- have been monitoring accounts and any payments made or received to counter various risks, including 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 firms 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, or provided additional warnings, before processing a payment – (as in practice NatWest sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

In this instance, I am not upholding this complaint for a number of reasons.

Firstly, I don't think that the payments were sufficiently unusual enough to have prompted an intervention from NatWest. I note that a large payment of £4,990 was made on 23 January 2022 to a crypto exchange and usually this would prompt an intervention. But Mr O had made a number of large payments in the past. So I don't think that this payment was unusual compared to his usual account activity. My understanding is that NatWest did contact Mr O to check the payment was genuine. But in the circumstances, I don't think that it needed to do anything more than that.

I'm not persuaded there was anything that ought reasonably to have triggered NatWest's fraud monitoring systems, or that would have indicated he was in the process of being scammed. I therefore do not consider there to have been any obligation on NatWest to have intervened.

In addition to the above, I am also not satisfied that Mr O has sufficiently evidenced that he suffered a loss. We have been provided with information about C, but this is generic and there is nothing to show that Mr O was connected to the scam that C was operating. There is no communication between Mr O and the scammer directly. Or anything to show that the funds that were sent from Mr O's crypto wallet were sent to a wallet connected with the scammer or that the scammer received payments from Mr O. So overall even if I did believe that NatWest should have done more, I don't think that there is enough to say that Mr O was scammed.

I've also thought about whether NatWest did enough to attempt to recover the money Mr O says he lost. In this instance the transfers would not be covered by the Contingent Reimbursement Model ("CRM") as the payments were made to an account in his own name. So overall I don't think that NatWest could have recovered any of the funds.

I appreciate this will likely come as a disappointment to Mr O. However, I'm not persuaded that NatWest can fairly or reasonably be held liable for the losses that Mr O says he experienced in these circumstances.

My final decision

My final decision is that do not 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 4 September 2025.

Charlie Newton
Ombudsman