

The complaint

Mr A is unhappy that Santander UK Plc will not refund money he said he lost as a result of a scam.

Mr A is represented by a firm I'll refer to as R. For ease, I have referred to comments made by R as though Mr A himself made them.

What happened

The background to this complaint is well known to both parties, so I won't repeat it in detail here.

The card payments relevant to this complaint are as follows:

Payment	Date	Type of transaction	Amount
1	16 February 2023	Card payments	£1,300
2	16 February 2023	Card payments	£1,650
3	24 February 2023	Card payments	£500
4	03 March 2023	Card payments	£2,500
5	03 March 2023	Card payments	£1,000
6	03 March 2023	Card payments	£4,000
7	21 September 2023	Card payments	£5,000
	25 September 2023	Payment received	£5,000
8	26 September 2023	Card payments	£3,000
9	27 September 2023	Card payments	£3,000

Mr A said he found the website for a firm I'll refer to as F and searched for reviews online before he decided to invest. After making payments to the account with F he discovered negative reviews about the firm. He said he realised he had been scammed when he could not withdraw his funds from the investment and the broker told him the money had been moved without his permission for it to do so. Mr A raised the matter with Santander but it didn't uphold his complaint.

Our investigator didn't think the complaint should be upheld because she said there was insufficient evidence to persuade her with any degree of certainty that F was operating a scam.

As an agreement could not be reached, the 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.

Having done so, I've reached the same outcome as our investigator and for similar reasons. I know this will be very disappointing to Mr A, but I'll explain.

In broad terms, the starting position in law is that Santander is expected to process payments and withdrawals that a customer authorises it to make. However, taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Santander should take steps to help protect its customers from financial harm resulting from fraud.

That being said. Not every complaint referred to us in relation to an investment is in fact a scam. I think it is important to highlight that investments tend to carry a level of risk. Some complaints that we see involve high-risk investments that resulted in disappointing returns or losses, and at times the loss is substantial. While some investments may be sold using sales methods, or have terms and conditions, that customers think are unfair or misleading, that doesn't always amount to fraud.

I can't safely say the payments Mr A made were the result of fraud or a scam for the following reasons.

- I have reviewed alerts and warnings provided by the International Organization of Securities Commission (IOSCO). While there is an alert relating to F, the information does not indicate that the firm has scammed its customers, it simply states that the firm is not licensed to trade in a certain territory.
- I have also reviewed the Financial Conduct Authority's (FCA) warning list and I note there are no entries on its website in relation to F. From my research I note the firm is licensed and regulated in other jurisdictions and continues to be.
- Mr A has mentioned other firms he says are linked to F, but again I have not found any warnings that these firms have been involved in fraudulent activity, or scammed customers. Nevertheless, F are the subject of the complaint and to whom the payments were made, as such greater emphasis must be placed on the information about F and what happened to the funds he paid to them.
- While I accept the information provided by the IOSCO should be a point of caution for customers looking to invest. I do not think its enough for me to safely conclude that F is fraudulent.
- I find F's website to be legitimate and I note reviews about the firm are mostly positive. Mr A also received regular statements and communication from F highlighting the status of his investment account, which is what I would expect of a legitimate firm. Overall, I have not seen enough to persuade me that F is not a genuine firm.
- Mr A has not provided evidence of what he was told when he tried to withdraw funds from his account, and its not clear how much he asked to withdraw and whether there were funds available in the account for him to draw on at the time. The statements from his account with F show Mr A made various trades but appears to have made continuous losses. And in September 2023, when he made the last payment to F from his account with Santander, Mr A had a minimal balance

available.

- I have not seen evidence that persuades me Mr A's losses were a result of fraud or a scam, nor that F's intentions were to defraud him from the outset. Mr A traded in foreign exchange, which is a high-risk way of investing. I think the information available indicates the loss he incurred was due to the high-risk nature of the investment he chose to take part in.
- It follows that where I do not find the payments Mr A made to F were the result of fraud or a scam, I do not think Santander needed to intervene or to reimburse his losses. There is no obligation on the bank to protect customers from a bad investment or the risk of loss one faces by entering a high-risk investment, as I find was likely the case here.

Even if I were to be satisfied that Mr A fell victim to a scam, it would only be fair for me to tell Santander to reimburse him if I thought it reasonably ought to have intervened in the payments he made, or it hindered the recovery of the payments. I don't find that to be the case.

This is because I don't find the payments to have been sufficiently unusual or out of character in light of Mr A's typical account usage to have raised suspicion. The payments were not made in particularly quick succession which is a pattern we often see where a scam is involved. I also do not find any of the payments were of remarkable value to have raised concern or triggered Santander's fraud prevention system.

As the payments were made via debit card, the only means of recovery is via the chargeback scheme. The matter was raised outside the time limits set by the scheme provider so I do not think there were any prospects of recovering the funds.

I've thought carefully about everything that happened, whilst I appreciate that Mr A is out of pocket, I can't fairly or reasonably hold Santander responsible for the money he lost.

My final decision

For the reasons outlined above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 16 July 2025.

Oluwatobi Balogun
Ombudsman