

The complaint

Mr S complains that ICICI Bank UK Plc (ICICI) is refusing to refund him the amount he lost as the result of a scam.

What happened

Mr S says he was contacted out of the blue by a group of people (I will call X) that claimed they would be able to recover funds he had lost as a result of a past scam. As part of the process of recovering the funds Mr S was required to make payments to X via cryptocurrency.

However once Mr S made the payments, he did not receive his lost funds and realised he had fallen victim to a scam.

The following are a list of payments related to the scam that I have taken from Mr S's ICICI statements. I am aware there are some discrepancies Mr S has raised in relation to the list, but I don't think the discrepancies make a difference to the outcome of Mr S's complaint, so I haven't gone into more detail about this:

Payment	Date	Payee	Payment Method	Amount
1	16 November 2022	Coinify	Debit Card	£172.55
2	11 January 2023	Coinify	Debit Card	£304.50
3	16 January 2023	Coinify	Debit Card	£279.13
4	17 January 2023	Coinify	Debit Card	£101.50
5	24 January 2023	Coinify	Debit Card	£710.50
6	24 January 2023	Coinify	Debit Card	£365.40
7	30 January 2023	Coinify	Debit Card	£477.05
8	2 February 2023	Coinify	Debit Card	£431.38
9	6 February 2023	Coinify	Debit Card	£710.50
10	8 February 2023	Coinify	Debit Card	£1,263.15
	9 February 2023	Coinify		£1,244.00cr
11	9 February 2023	Coinify	Debit Card	£1,272.60
12	23 February 2023	Coinify	Debit Card	£1,161.50
	23 February 2023	Coinify		£1,244.00cr
13	31 March 2023	Coinify	Debit Card	£439.49

Our Investigator considered Mr S's complaint and didn't think it should be upheld. Mr S 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 isn't in dispute here that Mr S has been the victim of a scam and has lost money as a result. However, even when it is clear that a scam has taken place, and an individual has been tricked out of their money, it doesn't necessarily follow that a business will need to

refund the money that has been lost.

Recovering the payments Mr S made

Mr S made payments into the scam via his debit card. When payments are made by card the only recovery option ICICI has is to request a chargeback.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders. The card scheme operator ultimately helps settle disputes that can't be resolved between the merchant and the cardholder.

Such arbitration is subject to the rules of the scheme, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid, and potentially succeed. Time limits also apply.

Unfortunately, it appears Mr S made his complaint to ICICI outside of the allowed time to raise a chargeback and therefore although ICICI did attempt to process a chargeback for the payments Mr S made into the scam it was unsuccessful.

Even if Mr S made his complaint to ICICI in time, he did not make payments directly to the scam, he made the payments to a cryptocurrency exchange for the purchase of cryptocurrency that was then forwarded as part of the scam. As the cryptocurrency exchange provided a service to Mr S, and his dispute is with X, any chargeback attempt would likely have failed.

With the above in mind, I don't think ICICI had any reasonable options available to it to seek recovery of the payments Mr S made in relation to the scam.

Should ICICI have reasonably prevented the payments Mr S made?

It has been accepted that Mr S authorised the payments that were made from his account with ICICI, albeit on X's instruction. So, the starting point here is that Mr S 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 ICICI should have been aware of the scam and intervened when Mr S made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

ICICI has told us that Mr S confirmed it was him making the payments via 3DS secure, but it is not in dispute that Mr S made the payments he has disputed.

I have looked at the payments Mr S made in relation to the scam. The payments are made over several months and none of the payments were of such a high value that I would have expected them to have caused ICICI any concerns. As I don't think the payments Mr S has disputed would reasonably have caused ICICI to have concerns, it would not be reasonable for me to suggest it should have intervened when they were made.

As ICICI was not required to intervene when Mr S made the payments, I don't think it missed an opportunity to prevent the scam and it is therefore not responsible for Mr S'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 S to accept or reject my decision before 14 March 2025.

Terry Woodham
Ombudsman