

## **The complaint**

Mr I complains National Westminster Bank Public Limited Company ("NatWest") didn't do enough to protect him when he fell victim to a cryptocurrency investment scam.

## **What happened**

Mr I said he heard about a cryptocurrency investment opportunity from a friend who said it was legitimate and a real way of making money. He said his friend added him to a group chat on a messaging app. Mr I said he asked managers how it worked and was provided documents explaining things, and that whatever he invested would be doubled every month. Mr I said he researched the company's website before deciding to invest.

Mr I said he realised it was a scam when the company ran a promotional offer whereby deposits would receive a double bonus. He told us he tried to withdraw his funds but couldn't.

During the period of the disputed transactions Mr I told us other people sent him funds which he sent to their cryptocurrency wallets as they didn't know how to. This means some of the disputed payments aren't Mr I's funds or losses.

Mr I complained to NatWest, and his complaint wasn't upheld. Unhappy with NatWest's response, Mr I raised the matter with the Financial Ombudsman. One of our Investigators looked into the complaint and didn't uphold it. They didn't think the payments should have concerned NatWest such that it ought to have intervened.

As an agreement could not be reached, the complaint has been passed to me for 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.

I'm sorry that Mr I has lost a significant sum of money and I don't underestimate the impact this has had on him. And so, I'd like to reassure him that I've read and considered everything he's said in support of his complaint. But I'll focus my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. I know this will come as a disappointment to Mr I but having done so, I won't be upholding his complaint for broadly the same reasons as our Investigator. I'll explain why.

To consider if NatWest's actions, or inactions, led to Mr I suffering a loss as the result of a scam, I need to be satisfied that Mr I has been the victim of, and lost funds as the result of a scam. The evidence he has provided doesn't show either. I can see he made payments for cryptocurrency but nothing to show these funds were moved elsewhere and nothing to connect him to the alleged scam company.

Mr I has told us he can no longer access his accounts, and the statements aren't showing in the apps he used. He said he deleted the communication from the group chat, the company's platform has closed, and he lost all his data on his old phone.

Our Investigator requested evidence of this which hasn't been provided, I won't wait for the evidence to be submitted as I don't think I need it. While I think it's reasonable for Mr I to provide some evidence of the alleged scam and how it unfolded, including evidence of his losses, because this doesn't make a difference to the outcome of Mr I's complaint, I'm proceeding without the evidence because I'm proceeding on the basis that he did suffer a loss in the way he's described.

In broad terms, the starting position at law is that banks and other payment service providers are 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.

Mr I authorised the payments in question here – so even though he's lost some of his funds, he is presumed liable in the first instance.

But as a matter of good industry practice, NatWest should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: as while banks and Electronic Money Institutions should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.

I've also thought about the Contingent Reimbursement Model, as the payments were made to an account in Mr I's own name and were to purchase cryptocurrency, the code doesn't apply.

I've thought about whether NatWest acted fairly and reasonably in its dealings with Mr I when he made the payments, or whether it should have done more than it did. In doing so I've considered what NatWest knew about the payments at the time it received Mr I's payment instructions.

I don't think the payments were of an unusually excessive value, with the highest value payment being £1,000, that it ought to have caused NatWest to be concerned that Mr I was potentially falling victim to a scam. Although the payments were going to cryptocurrency providers, which carries a known fraud risk, that isn't enough for me to say that NatWest ought to have been suspicious such that it should have intervened. Also, the payments were sufficiently spaced out over several weeks. So, I don't think the payments were suspicious in nature to suggest to NatWest that Mr I was at a heightened risk of financial harm from fraud. I therefore don't think it was unreasonable for NatWest to process the payments in-line with Mr I's payment instructions.

### *Recovery*

I've thought about whether there's anything else NatWest could have done to help Mr I — including if it took the steps it should have once it was aware that the payments were the result of fraud.

The transfers were sent to cryptocurrency exchanges. In that case the money would have been exchanged into cryptocurrency, and it seems that Mr I got the cryptocurrency he paid for and in these cases, there's no real prospect of successful recovery of funds.

**My final decision**

My final decision is that I do not uphold this complaint against National Westminster Bank Public Limited Company.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 28 July 2025.

Charlotte Mulvihill  
**Ombudsman**