

The complaint

Mr J is complaining that Nationwide Building Society didn't do enough to prevent him from making payments to an investment scam.

The complaint is brought on his behalf by a professional representative, but I'll mainly refer to Mr J here.

What happened

Between July 2022 and November 2022 Mr J made a number of payments from his account with Nationwide to a cryptocurrency exchange, totalling around £89,000. He said the funds were subsequently invested in a scheme which I'll call T, which he now believes to have been a scam.

In 2024 Mr J complained to Nationwide, and when it didn't reply he brought his complaint to the Financial Ombudsman Service.

Our Investigator looked into Mr J's complaint. She said, in summary, that she didn't think there was enough evidence to conclude that Mr J had invested the payments he'd made from Nationwide in T. She noted that a lot of the payments Mr J had made to the cryptocurrency exchange from Nationwide appeared to be following deposits into his account from other people, so she wasn't persuaded that the loss claimed was entirely Mr J's. And finally, she wasn't persuaded that T was operating as a scam.

Mr J said he was having difficulty obtaining statements from the cryptocurrency exchange to show he'd invested the payments he'd made from Nationwide in T but he appreciated why it was necessary to provide such evidence. He did supply some messages which he says showed he had an account with T. He said he invested in T on behalf of friends and family who transferred funds to him. He argued in some detail that T was operating as a scam and asked for an Ombudsman to make a final decision.

Mr J's complaint has now been passed to me for review and a 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'm not upholding Mr J's complaint. I'll explain why.

Mr J has mentioned the Lending Standards Board's Contingent Reimbursement Model (CRM) code, which is a voluntary code designed to protect customers from Authorised Push Payment (APP) Scams. But this code doesn't apply to payments which were made to another account held by the customer, which was the case here. So, I can't consider Mr J's complaint with this in mind.

In line with the Payment Services Regulations 2017, consumers are generally liable for

payments they authorise. Nationwide is expected to process authorised payment instructions without undue delay. But it also has long-standing obligations to help protect customers from financial harm from fraud and scams.

Those obligations are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether Nationwide is responsible for the loss Mr J claims to have suffered if, indeed, the disputed payments had been lost to a scam.

Mr J has argued in some detail why he believes T was operating as a scam as opposed to offering a high-risk investment opportunity as a result of which he's suffered a loss. But from what I've seen, I'm not persuaded that it was. T's website said that the investment it was offering was high risk and might not be suitable for all investors. I can see that when Mr J says he made the payments to T it was incorporated in an overseas jurisdiction, and it was also regulated in that jurisdiction. The International Organization of Securities Commissions (IOSCO) did publish a warning about T in late 2023 and its broker's licence was revoked in late 2024. But while this could indicate concerns about T's conduct this doesn't mean that it was set up to defraud customers.

However, I don't think I need to make any detailed findings on this point in my decision. This is because Mr J has not provided sufficient evidence to show that the payments he made from Nationwide to the cryptocurrency exchange were subsequently invested in T, so whether T was operating as a scam or not doesn't change the outcome of this complaint.

The available evidence about the disputed payments shows that they were made to a cryptocurrency exchange from Mr J's account with Nationwide. But he's not provided any evidence that these funds were moved on to T after they had been paid into his cryptocurrency account, despite being given a number of opportunities to provide the relevant statements from the cryptocurrency exchange by the Investigator.

Mr J also doesn't have any correspondence which links the payments he's disputing to T – for example, anything to show that these particular payments were received by T. Mr J has provided a screenshot of a message showing an application to T was made in his name on 26 May 2022 and some evidence of a fund attachment of £12,600 which pre-dates the disputed payments from Nationwide. He's also provided a message from May 2023 showing an account with T was activated. So, I think Mr J had some involvement with T. But ultimately, although there is some evidence Mr J was involved in T, we only have his testimony that these particular payments were subsequently invested in T and then lost.

I'm sorry to disappoint Mr J. This is not to say I don't believe him, but I think it's reasonable for him to provide sufficient evidence to support his version of events about the losses he says he suffered. And in all the circumstances here, I can't reasonably conclude that Mr J has suffered a loss to a scam which Nationwide could have prevented.

My final decision

My final decision is that I'm not upholding Mr J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 8 August 2025.

Helen Sutcliffe
Ombudsman