

The complaint

Mr B complains that National Westminster Bank Public Limited Company (“NatWest”) won’t reimburse him after he lost money to an investment – that he now considers to have been a scam – whereby he sent money to an account held at NatWest.

Mr B is professionally represented in bringing his complaint, but for ease of reading, I’ll refer to all submissions as being made by Mr B directly.

What happened

The circumstances of this complaint are well known to both parties, so I won’t repeat them in detail here. But briefly, both parties accept that Mr B had been investing in a wine portfolio with a firm I’ll refer to as ‘E’ for a number of years.

Mr B has explained that during the Covid pandemic, he received a call from an agent advising that E was experiencing difficulties and recommended that Mr B transfers his wine portfolio to fine art, with a company I’ll refer to as ‘S’. While Mr B was told the cost he would sell at would result in a small loss, he was advised this deficit could easily be made up. Mr S therefore agreed and in February 2021, received an invoice from S confirming ownership of an art print package that matched the value of his wine investment.

However, Mr B says he then received a call again from the same agent, stating another firm that I’ll refer to as ‘L’ offered better storage pricing and Mr B should therefore move his investment to this fine art company, which Mr B did. Mr B went on to make further investment payments to L and it is these payments that this complaint relates to. The payments made were as follows:

Date	Value
19 October 2021	£5,500
28 March 2022	£22,000
2 February 2023	+£5,000 credit

When Mr B tried to sell some of his portfolio, the agent was unresponsive and L has since dissolved (and S has liquidated). Upon receiving his artwork, Mr B has found associated certificates to be missing and believes the three businesses referenced above were linked and conducting a scam.

Mr B got in touch with his bank to raise a claim, and also contacted NatWest, where the receiving bank account of L was held. NatWest considered Mr B’s complaint but didn’t uphold it. It said it was unable to agree a bank error had occurred regarding its involvement or investigation.

Mr B remained unhappy and referred his complaint to our service. An investigator considered the complaint but didn’t uphold it. To summarise, he didn’t think there was enough evidence to conclude that Mr B made the payments as a result of a scam.

Mr B disagreed with the investigator's view, so the complaint has been referred 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 to hear that Mr B paid a significant amount of money, believing it to be an investment, and now considers he has been scammed by the firms involved into owning artwork he believes is not worth near the money he paid.

In order to determine that NatWest is responsible for Mr B's losses and for it to refund him, I'd first need to be satisfied, based on the available evidence, that the losses he has incurred were as a result of a scam. I'd therefore need to determine that L's reason for procuring the payment was fraudulent. This would mean being persuaded that L had criminal intent at the time it received Mr B's payments to defraud him. Based on everything I've seen, I don't think there is enough evidence to support this claim. I've explained why in more detail below.

A notable proportion of Mr B's testimony of why L was a scam is based on its association with S, as Mr B strongly believes S is a scam firm and therefore, based on the evidence, that E and L were colluding in this scam. However, as mentioned, our service is not currently of the opinion that there is sufficient evidence to conclude that S was a scam and so an association with S would also of course not lead me naturally to a different conclusion. And even if it was to be later determined that S was a scam, I would then need to be satisfied that L was complicit in the scam, rather than an unwitting associate.

Mr B has raised links between L and S, such as them having the same terms and conditions. This again supports there may be a link between firms (although could also be explained in other ways, such as replication) – but as I'm not of the opinion that S is a scam, it follows that L having the same terms and conditions, or a link between firms doesn't lead me to reach a different conclusion on L.

Mr B has raised concerns regarding his funds being transferred directly between E, S and L, rather than back to him to reinvest, and has suggested this to be illegitimate but I disagree on this point. There are a number of genuine investment options where the transfer of the investment occurs between firms, rather than funds being first returned to the customer. In the circumstances of this complaint, there could be a number of legitimate reasons for doing so (which would also explain the association between firms) such as internal deals or agreements in place that are mutually beneficial for both parties.

Mr B has also raised that when making payments to L, the company was dormant according to Companies House and therefore shouldn't have been trading, which he considers suggests any payments received were illegitimate. I accept this is a concern and suggests funds were being accepted by L but not declared. I agree with Mr B that this may suggest L had a propensity for dishonesty, although on its own, not enough to determine the intent to scam its customers.

I've therefore thought about L more widely and whether there are signs it may have intended to scam from the outset – but the available evidence doesn't support this view. Reviewing L online, I haven't found other concerns raised about the legitimacy of the firm.

I've also considered the evidence NatWest has provided about L's account. While NatWest has provided our service with this information, it has done so in confidence. It has provided that which is necessary for the determination of this complaint to allow us to discharge our

investigatory functions. Due to data protection laws, our service can't share any information about the beneficiaries, the receiving bank accounts or any investigation and action subsequently taken. However I would like to assure Mr B that I have thoroughly reviewed and considered all the information provided before reaching my decision.

Having done so I don't think the account use supports an allegation that L was set up as a means to defraud. I say this based on payments from the account that would align with L's line of work and there is also a lack of other claims made against the account, as would be expected for a fraudster.

Mr B has also raised concerns with the same agent advising Mr B both times to move his investment and this demonstrating a link. But again, I'm not disputing there is most likely a link between the firms. But any such link does not demonstrate wrongdoing, particularly when no firm individually has been confirmed as fraudulent - and I don't think the evidence suggests that the transfer of Mr B's investment was more likely to be a scam than other possible scenarios such as a business deal between different firms.

As I'm not persuaded this was a fraud or scam, there was no basis for NatWest to have intervened in the operation of the recipient account, or to have prevented Mr B's funds from leaving it for that reason. Nor can I fairly and reasonably conclude NatWest shouldn't have opened the account. In these circumstances, I can't fairly ask NatWest to do more in relation to the financial loss suffered by Mr B.

Mr B reported the alleged fraud to NatWest in March 2024, but NatWest has advised our service that at this point, it hadn't received confirmation from Mr B's own bank about the fraud allegation and that Mr B should therefore contact his own bank in the first instance. NatWest was correct to say this as it's industry practice for reports of that nature to go through a customer's own bank and for communication to be primarily between these two parties. But because NatWest, as explained above, weren't obliged to return the funds, I don't think this has impacted the outcome of the complaint.

Legal proceedings may uncover new evidence or change the basis on which this case has been considered up until now. However, I have to decide the case on the facts and information currently available to me. Based on the evidence currently available, I'm not able to conclude there is sufficiently persuasive evidence that shows this to be a scam. And I therefore don't think NatWest can be held responsible for Mr B's losses.

If new material information does come to light, at a later date, then a new complaint can be made to NatWest. But I'm satisfied, based on the available evidence that I have seen and been presented with by all parties, that this is a civil dispute.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 1 September 2025.

Kirsty Upton
Ombudsman