

The complaint

Mrs R complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NatWest”) won’t refund her the money she lost, after she fell victim to an investment scam.

Mrs R has brought her complaint to this service with the assistance of a professional representative, but for ease of reading I will refer to Mrs R throughout this decision.

What happened

The background to this complaint is well known to both parties and has been laid out in detail by our Investigator in their view, so I won’t repeat it all in detail here. But in summary, I understand it to be as follows.

Mrs R has explained that in or around 2019 a friend mentioned an investment opportunity to her, with a company I’ll refer to a ‘C’. However, she didn’t invest at that time as a previous recommendation from the same friend had turned out to be a scam. However, a couple of years later, in or around early 2021, Mrs R has said the investment opportunity was recommended to her again by a different trusted friend. Mrs R says her friend was making a lot of money and was able to take money out of the investment too.

Believing everything to be genuine, Mrs R decided to proceed and between February 2021 and October 2023 she made fifty payments, totalling just under £40,000 towards the investment. The scam saw Mrs R making payments to accounts she had set up with cryptocurrency platforms. Her money, once converted into cryptocurrency, was subsequently transferred into digital wallets that the fraudsters controlled.

Mrs R has said she was initially able to withdraw money; however, this was reinvested. She’s said she suspected there was something wrong when she heard news that other investors were unable to get their money out and she could no longer access her account.

Mrs R raised the matter with NatWest, but it didn’t uphold her account. In summary, it said the payments had been sent to accounts in Mrs R’s name, so it didn’t consider it was liable for her loss.

Unhappy with NatWest’s response, Mrs R brought her complaint to this service. One of our Investigators looked into things but didn’t think the complaint should be upheld. In summary, it was our Investigator’s view that, based on the information known to NatWest at the time, the payments wouldn’t have appeared as carrying a heightened risk of fraud.

Our Investigator went on to say that NatWest had intervened on a payment Mrs R had made, and he thought its intervention was proportionate. He added that even if NatWest had questioned Mrs R further, he didn’t think it would have made a difference and stopped Mrs R from wanting to make the payments.

Mrs R didn’t agree with our Investigator’s view. In summary, she said had NatWest taken a more active role in questioning the legitimacy of the payments, it might have been able to

prevent her from falling victim to a scam. She added that there was a warning about C on the FCA website that NatWest should have been aware of.

As agreement couldn't 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.

Our Investigator asked Mrs R to provide evidence of the money she paid being moved from accounts she held in her own name, to the accounts the fraudsters controlled. Unfortunately, Mrs R hasn't been able to provide this, explaining that the accounts she used are now obsolete. What this means is that I haven't got any clear proof that the cryptocurrency payments Mrs R made were in relation to C. Although, I would add that, from what I've seen and heard of Mrs R's submissions, I've found her to be candid throughout.

In the individual circumstances of this case, even if I did have unambiguous evidence that Mrs R's funds had moved through to C, I don't think it would make a difference. I say that as, having thought about everything carefully, I don't think NatWest is responsible for refunding the money Mrs R sadly lost. I'm sorry to hear that Mrs R has been the victim of a cruel scam. I don't underestimate her strength of feeling, and I know this will come as a disappointment to her, so I'll explain why.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account. Here, it is not in dispute that Mrs R authorised the payments in question, so that means she is liable for them, even though she was the victim of a scam.

However, that is not the end of the story. The regulatory landscape, along with good industry practice, sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victim to scams.

So, in this case, I need to decide whether NatWest acted fairly and reasonably in its dealings with Mrs R when it processed the payments, or whether it should have done more than it did.

I have seen that NatWest did have its own suspicions and intervened on a payment that Mrs R made in July 2021. It stopped the payment and spoke to Mrs R. At the time Mrs R explained to NatWest that the payment was for an investment opportunity and that it was going to an account she had set up. She added that she was not being coerced, and she wanted the payment to go through.

Our Investigator thought NatWest's intervention was proportionate and didn't think there was enough going on that he would have expected NatWest to have identified that Mrs R may have been at risk of financial harm. Having thought about this carefully, while it's finely balanced, I think given the volume of the payments being made, that they were being made to cryptocurrency platforms and that around mid-late October/early November 2021 there was an increase in the value of payments, it is arguable that NatWest ought to have had some concerns and its interventions/questioning could have gone further than they did.

But this in and of itself, isn't enough for me to say that NatWest should refund Mrs R the money she lost. Although it's arguable that NatWest could have done more than it did, I also

need to be persuaded that any further proportionate intervention/questioning would have made a difference and prevented the payments from being made. Of course I can't know for sure what would have happened, so I have to base my findings on the balance of probabilities – that is, what I think is more likely than not to have happened, taking into account what I know.

Although Mrs R's payments were being made to her own cryptocurrency accounts, at the time they were made, cryptocurrency related scams were not as prevalent as they have been in more recent times. So had NatWest's intervention gone further than it did I would have expected it to have gone no further than to warn her about potential investment scams and to ensure that she was comfortable before proceeding. It wouldn't have been for NatWest to have provided Mrs R with any investment advice, and I wouldn't have reasonably expected NatWest to carry out any research on C.

Mrs R has explained that she was introduced to C through a trusted friend, who had made a lot of money and had been able to successfully take money out of the investment. She added that she was able to withdraw some funds herself, which she chose to reinvest. Mrs R has added that before investing, she was also aware that people who had worked with international banks had also joined and who were enthusiastic. Alongside this, Mrs R has said she was aware of people that had attended C's head office abroad and that there were live seminars and regular webinars.

I think Mrs R's belief in C is also supported by her setting up multiple other accounts to enable her to gift money on behalf of family members. As well as this, even now, Mrs R told our Investigator that she believed C to have been genuine, but that it got caught up in regulations and didn't have all of its ducks in a row. I'm persuaded all of this supports that Mrs R was evidently very convinced by what C was offering. Indeed, she's said that she thoroughly believed everything was working and that it all looked genuine.

When speaking to our Investigator, Mrs R also told him that if NatWest had questioned her further, she would have probably ignored it and found it intrusive, albeit she didn't know for sure as she was talking with hindsight. However, I'm persuaded that this is most likely what would have happened. Which I think is supported when considering the interaction which Mrs R *did* have with NatWest when it contacted her, in July 2021, to discuss a payment she was making. Having listened to this call, Mrs R is quite clear with the NatWest agent that she wanted to make the payment, and she told them that she found it irksome that she'd been contacted.

I am mindful the Financial Conduct Authority ('FCA') had first published a warning about C in late 2019. But even if Mrs R had come across this warning as a result of any intervention by NatWest, I'm not satisfied it would have prevented her from going ahead with investing in C. I say this for the reasons I've set out above – particularly with how Mrs R was introduced to C.

Overall, with all things considered and given the circumstances, I don't think NatWest can fairly be held responsible for Mrs R's loss, and I don't think, in the individual circumstances of this case, the evidence supports that it would likely have been able to prevent Mrs R from making these payments.

I've thought about whether there was any opportunity for NatWest to have recovered the money Mrs R had lost, once it was made aware of the scam. However, given the funds had been exchanged into cryptocurrency and then moved on to accounts controlled by the fraudsters, I don't think there was any opportunity or prospect of NatWest being able to recover any of the money.

I don't intend any comments or findings I've made in this decision to downplay or diminish the impact this scam has had on Mrs R. It's very unfortunate she has lost this money in this way, and I understand the whole experience has been deeply upsetting and I do have a great deal of sympathy for her. But in the circumstances, having carefully considered everything, I don't find NatWest could have reasonably prevented Mrs R's loss here. Neither do I find there were any other failings on NatWest's part that would lead me to uphold this complaint.

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 Mrs R to accept or reject my decision before 4 December 2025.

Stephen Wise
Ombudsman