

The complaint

Mr O complains about Suits Me Limited.

He says that Suits Me didn't do enough to protect him when he fell victim to a scam and would like it to refund him the money he has lost.

What happened

In September 2023, Mr O unfortunately fell victim to a cryptocurrency investment scam.

Mr O made seven payments to the scam, totalling £3,320 from his account with Suits Me – but realised he had been scammed when he was unable to withdraw his supposed profits.

He made a complaint to Suits Me about what happened – but it didn't uphold his complaint, so he brought it to this Service.

Our Investigator looked into this, but didn't think that the complaint should be upheld. Mr O asked for an Ombudsman to make a final decision, so the complaint has been passed to me.

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 have decided not to uphold this complaint. I know this will be disappointing for Mr O, so I'll explain why.

It isn't in dispute here that Mr O 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.

Suits Me is not signed up to the Lending Standards Contingent Reimbursement Model (CRM) Code 2019, and the mandatory reimbursement rules didn't come into effect until October 2024 (and are not retrospective). Therefore, I can only consider if Suits Me should reasonably be expected to have identified that Mr O may have been at risk of financial harm.

In broad terms, the starting point at law is that an Electronic Money Institution (EMI) such as Suits Me is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (PSR's - in this case the 2017 regulations).

However, this isn't the end of the story. Taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider having been good industry practice at the time, I consider it fair and reasonable in September 2023 that Suits Me should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

In this case, I need to decide whether Suits Me acted fairly and reasonable when Mr O authorised the payments from his account – or whether it should have done more before processing them.

Looking at the payments in question, I am not persuaded that Suits Me needed to intervene on any of the payments Mr O made as part of the scam. While I understand that total of the payments represents a large loss to Mr O, I don't consider that any of the payments were sufficiently large or suspicious enough for Suits Me to have checked in with Mr O before processing the payments on his request.

The highest payment was just over £1,000 – and while it was going to a crypto provider, this doesn't necessarily mean that the payment is made as a result of a scam. And EMI's need to balance the smooth running of accounts and payments with protecting its customers from fraud – so it can't reasonably be expected to intervene in every transaction, even those going to a crypto provider.

I am very sorry for the situation Mr O now finds himself in – but ultimately the loss he has suffered has been caused by the scammer – not Suits Me – and I can't ask it to refund Mr O when I don't think that it has done anything wrong.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 10 July 2025.

Claire Pugh
Ombudsman