

## **The complaint**

Mrs G and Mr H complain that Lloyds Bank PLC did not reimburse the funds they say the lost to a scam.

## **What happened**

Mrs G and Mr H have said they were introduced to an investment opportunity by a friend they had known for many years. They invested over £560,000 between February 2019 and March 2020 and made a series of transfers in this time from their Lloyds current account to two individuals that were helping them invest in cryptocurrency and gold. They explained that despite attempting to withdraw their funds, they were unable to and so felt they had been scammed.

Mrs G and Mr H raised a scam claim with Lloyds via a representative. Lloyds issued a final response letter in which they explained they had not been provided with enough information to evidence a scam had occurred. And they said that even if the relevant evidence had been provided, they did not think Mrs G and Mr H had taken the relevant steps to satisfy themselves this was a genuine investment. And they felt the value of the payments were not unusual when compared with the genuine account activity on their joint account. So even if they could be satisfied a scam had occurred, they did not agree a refund would be due.

The complaint was referred to our service and our Investigator looked into it. They felt they had not seen enough evidence to be satisfied a scam occurred. While some screenshots of messages had been provided, the details within them were inconclusive. They also highlighted that the source of most of the payments were loans taken from Mr H's business and it was unclear if the investment was for personal use or a business investment.

Mrs G and Mr H did not agree with the findings. They said the investment appeared to be legitimate and they had face to face meetings in England and overseas about it.

As an informal 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.

It isn't in dispute that Mrs G and Mr H authorised the payments in question. Because of this the starting position – in line with the Payment Services Regulations 2017 – is that they are liable for the transactions. But they say that they have been victims of an authorised push payment (APP) scam.

Lloyds has signed up to the voluntary CRM Code, which provides additional protection to scam victims. Under the CRM Code, the starting principle is that a firm should reimburse a customer who is the victim of an APP scam (except in limited circumstances). But the CRM

Code only applies if the definition of an APP scam, as set out in it, is met. I have set this definition out below:

*...a transfer of funds executed across Faster Payments...where:*

- (i) The Customer intended to transfer funds to another person, but was instead deceived into transferring the funds to a different person; or*
- (ii) The Customer transferred funds to another person for what they believed were legitimate purposes but which were in fact fraudulent.*

I've therefore considered whether the payments complained about fall under the scope of an APP scam as set out above. In order to determine if they have been the victims of a scam, I have to consider if their intended purpose for the payments was legitimate, whether the intended purposes they and the people they paid were broadly aligned and, if not, whether this was the result of dishonest deception on the part of the individuals.

Mrs G and Mr H said a friend they had known for many years introduced them to the investment and also mentioned the names of two individuals they dealt with when making the investment. They said they thought the funds were being invested in cryptocurrency and gold but have provided no additional details of how they thought these investments worked, any businesses they thought they were dealing with or where they thought their funds were going to after they credited the individual's accounts. This makes it difficult to understand what their intended purpose for the payments were.

After an initial non-uphold view from our Investigator, Mrs G and Mr H were able to provide some screenshots of messages they felt were relevant. However, these are largely undated and the ones that are dated are from after the scam occurred. They make no mention of cryptocurrency or gold, and the conversations are with multiple people that have not previously been mentioned. The limited screenshots we have do not clarify any points Mrs G and Mr H have made about the investment and instead raise additional questions. These therefore do not help me understand what the intended purpose of for the payments for Mrs G and Mr H or the individuals they paid were.

Aside from some sporadic messages, I have been provided with no additional evidence to substantiate Mrs G and Mr H's claims. It should be noted that Mrs G and Mr H have been represented by a professional organisation, and I would expect their representative to be aware of the level of evidence required to make a finding that a scam has occurred.

In this case, I have not seen enough to be satisfied Mrs G and Mr H have been victims of the type of scam they have described. This is not to say that I think they have misled anyone or that they have not been victims, however in order to come to a fair and reasonable outcome both our service and Lloyds need some evidence showing how a scam occurred and the details of what it entailed.

It follows that I think it is reasonable that Lloyds have not reimbursed Mrs G and Mr H in the circumstances.

### **My final decision**

I do not uphold Mrs G and Mr H's complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G and Mr H to accept or reject my decision before 9 October 2025.

Rebecca Norris  
**Ombudsman**