

## The complaint

Mrs T is being represented by solicitors. She's complaining about National Westminster Bank Public Limited Company because it declined to refund money she lost as a result of fraud.

## What happened

Sadly, Mrs T fell victim to a cruel investment scam. After seeing an online advert for an investment scheme that appeared to be endorsed by a well-known celebrity, Mrs T was contacted by the scammer. She was then advised to download screen-sharing software to allow the scammer to help her set up accounts with an Electronic Money Exchange (EMI), a cryptocurrency exchange and the fake investment platform. Once she'd begun investing, Mrs T was able to see trades being made and profits generated on her behalf on the fake platform and was persuaded to continue investing more money. She realised it was a scam when she tried to withdraw money and wasn't able to.

Mrs T initially paid £250 to the scheme. Then between January and August 2023, she made the following payments to the EMI. Those amounts were then sent to cryptocurrency exchanges and eventually on to the scammer.

No.	Date	Amount £	Type
1	24 Jan	500	Card
2	7 Mar	2,000	Card
3	8 Mar	1,300	Card
4	18 May	3,000	Card
5	22 May	2,500	Card
6	16 Jun	3,000	Card
7	20 Jun	2,500	Card
8	18 Aug	19,499	Transfer

Mrs T did receive a payment back from the scam, with £81.08 being returned to her EMI account on 10 February 2023. Beyond that, I understand no further funds were returned.

Our investigator didn't recommend the complaint be upheld. They didn't think NatWest had any particular reason to suspect the first seven payments might be part of a scam. They noted that NatWest did ask further questions about payment 8 but didn't think any intervention at this point would have made a difference as Mrs T was firmly under the influence of the scammer by this point.

Mrs T didn't accept the investigator's assessment and the complaint has been referred to me for review.

## 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've reached the same overall conclusions as the investigator. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

There's no dispute that Mrs T authorised these payments. In broad terms, the starting position at law is that a bank such as NatWest is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

NatWest also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether NatWest acted fairly and reasonably in its dealings with Mrs T.

### *The payments*

Having considered what NatWest knew about the initial payment of £250 and payments 1 to 7 at the time, I'm not persuaded it ought to have been particularly concerned about them. The money was going to an account with an EMI in Mrs T's name and NatWest didn't know where it would go after that. Also, the payments were comparatively low and spaced out over several months. So I don't think a pattern consistent with many types of scam had begun to emerge *and* I can't reasonably say it was at fault for processing the payments in line with her instructions.

Payment 8, however, was for a much larger amount and it appears NatWest did recognise the increased risk and called Mrs T to discuss it. Unfortunately, she provided inaccurate answers to a number of the questions she was asked and this hampered the bank's ability to provide an appropriately tailored and impactful warning.

I appreciate Mrs T's representative believes NatWest should have done more in this situation. But I haven't gone on to consider that further here. That's because we've already told the EMI to refund 50% of all the payments listed above with appropriate interest. That's as much as I think I can reasonably award even if I were to conclude this complaint should be upheld.

In deciding how much compensation should be received by Mrs T, I have to consider whether she should be held responsible for part of her loss. I've considered the evidence carefully to decide what's fair and reasonable in the circumstances of this case.

I accept Mrs T believed the payments were being made in connection with a legitimate investment opportunity, but I'm not persuaded that belief was a reasonable one. In particular,

the evidence provided indicates the returns she was being told the returns her investments were achieving were extremely high and it's my view that she should reasonably have questioned whether this was too good to be true. In the circumstances, I think she ought to have proceeded only with great caution. If she'd carried out any further research, for example online searches, I think she'd have quickly discovered her circumstances were similar to those commonly associated with investment fraud.

Overall, I think it's fair and reasonable for any payments being refunded to be reduced by 50%. I've already set out my thoughts on this issue for Mrs T in connection with her complaint about the EMI and she accepted my conclusions. As we've already told the EMI to refund 50% of the amounts in payments 1 to 8, I don't think Mrs T is due any further compensation from Nat West and I'm making no award in this case.

### *Recovery of funds*

For completeness, I have looked at whether NatWest could or should have done more to try and recover Mrs T's losses once it was aware that the payments were the result of fraud. But I understand she didn't tell it about the fraud until several months after the last payment. NatWest could only try to recover money from Mrs T's EMI account and the money had already been moved on. So I don't think anything that NatWest could have done differently would likely to have led to those payments being recovered successfully after this period of time.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 20 August 2025.

James Biles  
**Ombudsman**