

The complaint

Mr F complains that The Royal Bank of Scotland Plc (RBS) won't refund him money he says he lost in an investment scam.

What happened

The circumstances surrounding Mr F's complaint are well known to the parties, so I haven't set them out in detail here. Instead, I've summarised what I consider to be the key points.

Mr F says some work colleagues told him about opportunities to invest in cryptocurrency in May 2021 and encouraged him to invest. He trusted these colleagues and took their advice. He opened a cryptocurrency account with a well-known cryptocurrency exchange. He transferred £40,000 from his RBS account to his cryptocurrency account in a series of eight transactions between 6 May and 15 May 2021. These funds were converted into various cryptocurrencies, which Mr F says he left in his cryptocurrency account.

In November 2023, he discovered his cryptocurrency account had been compromised, and all his assets had been withdrawn to a variety of different wallets. He complained to the cryptocurrency exchange that held his account, and to various law enforcement agencies in the UK and overseas. Unfortunately, Mr F hasn't been able to recover any of his assets.

Mr F made the following payments from his RBS account, some of which were made using telephone banking:

Date	Amount	Payment type	Destination
06/05/2021	£1,000	Faster payment	Own cryptocurrency account
07/05/2021	£5,000	Faster payment	Own cryptocurrency account
07/05/2021	£10,000	Faster payment	Own cryptocurrency account
10/05/2021	£1,000	Faster payment	Own cryptocurrency account
11/05/2021	£10,000	Faster payment	Own cryptocurrency account
12/05/2021	£10,000	Faster payment	Own cryptocurrency account
15/05/2021	£1,000	Faster payment	Own cryptocurrency account
15/05/2021	£2,000	Faster payment	Own cryptocurrency account

Mr F complained to RBS in 2025, but it didn't uphold his complaint. He says the payments were suspicious and RBS ought to have intervened to prevent them from happening. He feels RBS didn't provide sufficient warnings, and it didn't provide support to him when he reported the scam. He says he was vulnerable at the time he made the payments, due to the illness of relatives and difficulties arising from the nature of his employment. Mr F explained how this matter has had a major impact on his financial stability and has been very distressing.

RBS says it was first notified about the issue in April 2025. It doesn't consider it made any errors when dealing with Mr F. Mr F's money wasn't lost from his RBS account and the Contingent Reimbursement Model (CRM) Code doesn't apply to these payments. Due to the length of time since the payments took place, it says recordings of the phone calls Mr F had with its staff are no longer available, but he would have likely received scam warnings when

investing in cryptocurrency. It considers Mr F didn't carry out sufficient due diligence before making the investment, for example, it says he didn't receive any paperwork and the high returns he indicated he was expecting ought to have raised suspicion.

Our Investigator considered Mr F's complaint, but he didn't uphold it. He said the payments were all authorised by Mr F and Mr F had control of the account he made the payments to. He didn't lose control of his assets until November 2023. There is no evidence the cryptocurrency exchange was operating a scam and there were no regulatory warnings about it at the time. He didn't think RBS had failed to identify these payments as potentially suspicious and he wasn't persuaded RBS had failed to adequately deal with Mr F's post-fraud enquiries.

Mr F didn't accept the Investigator's assessment and asked for an ombudsman to consider his complaint. He maintains that RBS ought to have intervened in this series of payments and that even though his cryptocurrency account was only compromised some time later, that doesn't mean that RBS did all it could have done to stop him being exposed to the risk of fraud.

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'm not upholding Mr F's complaint. While I understand this will come as a disappointment to Mr F and I don't doubt the impact this matter has had on him, both financially and emotionally, I'm not persuaded that I can fairly conclude that RBS is responsible for any of his losses. I say this because the evidence isn't sufficient for me to conclude he has been the victim of a scam that intervention by RBS could have prevented. I'll explain why.

In broad terms, the starting position is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the accounts terms and conditions and with the Payment Services Regulations (PSRs). It isn't in dispute that Mr F authorised these payments and so RBS had an obligation to process the payments, but that isn't the end of the story.

The Contingent Reimbursement Model (CRM) Code doesn't apply here. This code doesn't apply where payments are made between two accounts controlled by the same customer and since all of the payments were to Mr F's own cryptocurrency account, the payments don't fall within the scope of the CRM code.

However, taking into account the regulator's rules and guidance; relevant codes of practice, along with what I consider to have been good industry practice at the time, I consider RBS should have fairly and reasonably been on the lookout for the possibility of Authorised Push Payments scams (amongst other things) at the time, and intervened if there were clear indications its customer might be at risk.

Our Investigator concluded that there was no persuasive evidence the cryptocurrency exchange was fraudulent or that the payments Mr F made from RBS to the cryptocurrency exchange were made as part of a scam. He noted that it was not RBS's role to give investment advice and Mr F was making a legitimate investment. For these reasons, he concluded that RBS hadn't acted unreasonably by not intervening. I agree with the Investigator's overall conclusions. The evidence doesn't show that RBS has failed in its responsibilities to protect Mr F from the risk of fraud because there is no clear evidence the funds were lost to a scam. When the transfer of money from RBS to the cryptocurrency

exchange took place, there's little or no evidence to show that he had been scammed into making these payments. While I accept that his cryptocurrency account was later hacked, over two years later, and his various digital assets were stolen from him, I'm not persuaded there's enough evidence to show that was the advice to invest in cryptocurrency, which he received two years earlier, was part of an elaborate scam.

While I consider RBS should have intervened and asked Mr F some questions about some of these payments due to the size and frequency of some of those payments, I don't consider any intervention from RBS would have made a difference here. If RBS had intervened and asked Mr F questions about the payments he was making, it seems unlikely Mr F would have said anything that should have caused RBS concern that he was falling victim to a scam. He was simply investing in cryptocurrency, which he was entitled to do, and holding that cryptocurrency in his own account, having discussed the investment with friends. I consider it highly unlikely anything he could have told RBS would have caused it concern that he was falling victim to a scam, because there's little or no evidence he was falling victim to a scam.

Had RBS provided relevant warnings about cryptocurrency scams, I doubt these would have caused Mr F any concern either, because few if any of the risks it would likely have warned about were relevant to his circumstances. For example, RBS might have warned him to research the cryptocurrency platform he was using, not to download remote access software and to beware of investment managers offering to manage his investment for him, amongst other things. I think such warnings are unlikely to have led to Mr F taking a different course of action because there were none of these additional risk factors present.

On the basis that Mr F seems to have been the victim of a theft from his cryptocurrency account, not the victim of a scam that was going on when he made the payments from his RBS account, I don't think RBS was responsible for his losses.

My final decision

I don't uphold Mr F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 16 February 2026.

Greg Barham
Ombudsman