

### The complaint

Mr R complains that TSB Bank plc won't reimburse him in full after he sent funds towards what he now believes was an investment scam.

### What happened

The circumstances of this complaint have been set out in detail already by our investigator, so I won't repeat them here. But briefly, both parties accept that between May 2018 and May 2020, Mr R made payments towards what he understood to be an investment, after hearing about the opportunity through a friend who had already invested and meeting with the directors of the company. I understand Mr R also made payments through another of his banking providers, prior to those with TSB, but I've included a summary of TSB payments below:

Date	Summary	Value
17/05/2018	Investment payment 1	£10,000
26/10/2018	<i>Investment returns</i>	+£15,000
30/10/2018	Investment payment 2	£17,500
10/05/2019	Investment payment 3	£2,500
15/05/2020	Investment payment 4	£13,480
04/03/2025	<i>Reimbursement by TSB of investment payments 3 and 4</i>	£15,980
<i>Outstanding losses</i>		£12,500

Mr R has explained he believed he had fallen victim to a scam when the investment firm in question stopped corresponding with him. He therefore contacted TSB to raise a claim. TSB considered his complaint and upheld it in part. It said that as payments three and four were made after the inception of its fraud guarantee, it would reimburse these payments, but didn't think it was liable for payments made before the inception of this guarantee.

Mr R remained unhappy and referred his complaint to our service. An investigator considered the complaint but didn't uphold it. He thought that TSB ought to have intervened in earlier payments made by Mr R, but that even if it had done so, Mr R would likely have proceeded with the investment.

Mr R disagreed with the Investigator, so the complaint has been referred 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.

As set out by TSB, payments made by Mr R in 2018 pre-date TSB's fraud guarantee. Nevertheless, I would still expect TSB to be on the lookout for out of character payments on

Mr R's account and to intervene proportionately when there was a heightened risk of financial harm from fraud.

Payments made by Mr R to this investment *were* out of character and unusual for his account –the highest payment in the six months prior being for £1,000 - and therefore warranted questioning by TSB. I've therefore thought about what Mr R may have told TSB had it intervened on this initial payment and whether TSB would have had concerns about the payments Mr R was making.

In doing so, I'm mindful that prior to investing, Mr R had met in person with the investment directors, which I think would have reassured him that this was a legitimate investment. Additionally, Mr R's friend had already invested and was receiving significant returns and was the one to introduce Mr R to the investment. Mr R had also attended online calls with other investors who had also seen returns on their investments. I therefore think Mr R would have like been confident in the legitimacy of the investment.

Based on what TSB would've known about the investment in 2018, I don't think any proportionate questioning at this time would've led to TSB having sufficient cause for concern that it could take further action on, or have prevented Mr R from proceeding with the payments. The investment group in question remains under police investigation years later and so I simply can't conclude that TSB could've identified anything untoward during a call with Mr R. There also wasn't negative information readily available online at the time these payments were made that TSB could have identified.

Therefore, while I'm sorry to disappoint Mr R, I don't think TSB can be held liable for any losses outside of those it has already agreed to reimburse. I also don't think TSB had any reasonable prospects of recovering Mr R's funds when it received Mr R's fraud claim, based on the time that had passed since the payments were made.

### **My final decision**

My final decision is I don't uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 2 February 2026.

Kirsty Upton  
Ombudsman