

The complaint

Mr B complains that National Westminster Bank Public Limited Company (NatWest) will not refund money he says he lost to an investment scam.

Mr B is represented by a third party, but for ease of reference I will refer to Mr B throughout the decision.

What happened

The background to this complaint is well known to both parties, so I will not repeat everything here. In summary, Mr B came across an advert promoting an investment, with a company I will refer to as “F”, on a social media site. Mr B advised he was given access to an online trading account and that he made the decision to invest around £100,000 from his NatWest account in January 2021. He advised that he attempted to withdraw his funds shortly after his investment but couldn’t. It was at this point that he realised he had been scammed.

Mr B raised a complaint with NatWest. It investigated the complaint but didn’t uphold it. It didn’t think it had done anything wrong by allowing the payments to go through. So, Mr B brought his complaint to our service.

Our Investigator looked into the complaint but didn’t uphold it. As Mr B remained unhappy the complaint has been passed to me for review and a 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.

I’m aware that I’ve summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I’ve focussed on what I think is the heart of the matter here. If there’s something I have not mentioned, it isn’t because I have ignored it. I haven’t. I’m satisfied that I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I agree with the conclusions reached by the Investigator for the following reasons:

- In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. NatWest is expected to process authorised payment instructions without undue delay. But it also has long-standing obligations to help protect customers from financial harm from fraud and scams. Those obligations are however predicated on there having been a fraud or scam, and on the consumer having suffered a loss as a result. And so, it would only be reasonable for me to consider if NatWest’s actions, or inactions, led to Mr B suffering a loss as the result of a scam, if I am satisfied that Mr B has been the victim of, and lost funds as the result of a scam.

- Although Mr B has provided some testimony about how he became involved in the scam, most of the information he has supplied about F doesn't demonstrate that he was a victim of a scam. For example, he hasn't been able to demonstrate that the withdrawals were refused or that he was misled about the investment. The information he has sent shows he made payments but not that those payments were scam related. However, I don't think this makes a difference to the outcome of Mr B's complaint because, like the Investigator, I don't think further interventions from NatWest would have made a difference to Mr B's decision to invest.
- When Mr B made the payments in January 2021, F was regulated in Cyprus and had permissions to operate in the United Kingdom by the domestic regulator, the Financial Conduct Authority (FCA). So, at the time there was nothing to suggest Mr B was paying a scammer. Instead, the payments appeared consistent with an investment made through a legitimate broker dealing in high-risk trades.
- I appreciate those permissions have since been withdrawn by the FCA in April 2021. But, crucially, this was after Mr B made the payments in question. So, even if there was any reason for NatWest to have stepped in and prevented any or all of the payments when they were instructed, I'm not persuaded that any questioning or discussion about the purpose of the payments would have likely resulted in Mr B concluding that he was falling victim to a scam. At the time of the payments, he would have only found that the merchant was an offshore broker that had temporary permissions to operate in the United Kingdom. Indeed, Mr B has said that F made him aware of its UK authorisation, and he took confidence from this.
- NatWest has no obligation to protect its customers from bad bargains or to provide investment advice. So, given the circumstances here, I do not consider that NatWest was under any obligation to prevent the payments from being made. And besides that, even if NatWest had intervened with any of the payments and asked reasonably probing questions, I'm not convinced this would have avoided the payments being made.
- For completeness I have considered whether NatWest could have done anything to recover Mr B's payments once the scam was reported. But there was a significant delay in reporting the scam, so I don't think there was any realistic prospect of recovering Mr B's funds.

I appreciate this will likely come as a disappointment to Mr B, and I'm sorry to hear about the loss he's incurred. However, I'm not persuaded that NatWest can fairly or reasonably be held liable for that loss – so I will not be asking it to take any further action.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 26 February 2026.

Aleya Khanom
Ombudsman