

## **The complaint**

Mr B complains that Bank of Scotland plc trading as Halifax (“Halifax”), have failed to refund money that he lost as part of an investment scam.

## **What happened**

Mr B says that he came across a company that purported to be an investment firm but was actually a scammer, that I will call C. Mr B was persuaded to make a number of payments from his Halifax account to a crypto exchange and he says the funds were then sent to C. He says the transactions that took place between August and October 2021 were a mixture of card payments and faster payments and totalled over £120,000.

When Mr B was unable to withdraw his profits, he realised he had been scammed.

Some years later, Mr B raised a complaint with Halifax, as he believed that it should have stopped him from making the payments in question.

One of our investigators looked into this matter and they decided that Mr B had not sufficiently evidenced that he had been the victim of a scam and therefore she did not uphold this complaint.

Mr B did not agree with these conclusions. So his complaint has been passed to me to issue 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons.

In broad terms, the starting position is that Halifax is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators’ rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Halifax should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so, given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;

- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Halifax sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

Overall, I don't think that I have been provided sufficient evidence to demonstrate the loss that Mr B says he suffered. I have seen crypto statements which show that funds were removed from the crypto wallet and some evidence to show that he had an account with the scam firm. But importantly there is nothing to show that the crypto wallet that he sent the funds to relate to the scam. The only thing that looks like a wallet address from the scam platform is not the address that the funds were sent to. There is no scam chat to show the wallet address or that payments were received by the scammer after. Finally, the screenshots of the scam platform show a small balance and nothing to show specific payments received. So overall, there is not enough for me to be confident that Mr B suffered the loss that he said he did. So given all of this I am unable to direct Halifax to refund the transactions in question.

I've also thought about whether Halifax did enough to attempt to recover the money Mr B lost. In relation to the card payments, the only method to attempt recovery would be a chargeback. But this would not have been successful, as the payments were essentially a means to send funds from Mr B's account to the crypto exchange - and that is what happened. Also the Contingent Reimbursement Model does not apply to the transfers as the funds were sent to an account that was in Mr B's own name. So, I don't think that Halifax could have recovered the funds.

I appreciate this will likely come as a disappointment to Mr B, and I'm sorry to hear he may've been the victim of a scam. However, I'm not persuaded that Halifax can fairly or reasonably be held liable for his losses in these circumstances.

As set out in the investigators view, Halifax has already made an offer which is to refund 50% of the transactions from transaction 12, to settle this complaint. Mr B should contact Halifax directly if he now wishes to accept this.

### **My final decision**

My final decision is that do not uphold this complaint, so I don't think that Halifax needs to do anything further to settle this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 January 2026.

Charlie Newton  
**Ombudsman**