

The complaint

Mr A is unhappy Zempler Bank Limited trading as Cashplus won't refund him, in full, the funds he lost, after he was the victim of a cryptocurrency recovery scam.

What happened

The facts of this complaint are well known to both parties so I will summarise the key points below.

In January 2024 Mr A fell victim to a cryptocurrency recovery scam in which he made the following transactions to a trading platform:

Date	Type of transaction	Amount
19/01/2024	Card payment	£2,986.71
19/01/2024	Card payment	£1.54
20/01/2024	Card payment	£4,634.55
20/01/2024	Card payment	£226.58
22/01/2024	Card payment	£7,832.39
	Total loss =	£15,681.77

Mr A says he invested a small amount on the cryptocurrency exchange back in 2018. He saw an advert on a social media platform for a cryptocurrency recovery firm and believes he filled in his details after clicking on the link. He was then contacted by a broker who put him in touch with someone from a company who said they could help – I will refer to them as D.

Mr A spoke with D on the phone. Mr A says D seemed very professional and knowledgeable. D told Mr A they had been able to locate £93,000 on the cryptocurrency exchange for him and accessed his computer to show him how to set up a crypto wallet. Money then appeared in the wallet and Mr A was persuaded to add funds to show liquidity for the withdrawals and pay for fees.

Mr A made the payments above, but D told him he'd need to make more payments to cover withdrawal fees as his money was stuck in the blockchain. This is when Mr A grew suspicious and realised he'd been scammed.

Mr A contacted Cashplus who didn't uphold his scam claim. Mr A complained that Cashplus should have identified the transactions as fraud and intervened, which he believes would have prevented his loss. Cashplus didn't agree. They explained that whilst they do have systems in place to identify fraud and protect customers, they didn't believe the transactions were out of character for his account.

Mr A referred his complaint to our service. Initially our investigator upheld Mr A's complaint, recommending they refund the last three payments. He said although the first two payments were low enough value as to not flag to Cashplus as suspicious, the following three should

have. He was satisfied if Cashplus had intervened it would have made a difference and prevented Mr A making those payments. He was satisfied there was no contributory negligence from Mr A that warranted a reduction in the refund amount.

Cashplus didn't agree with the outcome reached. It provided evidence in confidence to justify why they don't believe it should refund Mr A. We considered this evidence and let Mr A know that based on what we'd received, we wouldn't look to uphold his complaint.

Mr A remained unhappy, so the complaint has been passed to me to decide.

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 persuaded it is fair or appropriate to ask Cashplus to refund the money Mr A says he lost as a result of the scam.

In line with the law, regulator's rules and guidance, relevant codes of practice and what I consider to have been good industry practice, Cashplus should be on the lookout for unusual or uncharacteristic payments. And, in some circumstances, take additional steps or make additional checks before processing a payment, or in some cases decline to make a payment altogether, to help protect its customers from the possibility of financial harm. If they don't do this, and we conclude their intervention may have made a difference, it can mean they are liable to refund their customer any losses.

Here, if I accept Mr A has fallen victim to a scam, even if I were to conclude that Cashplus could have done more to prevent Mr A's losses, the evidence Cashplus has sent us means I wouldn't look to ask them to refund him.

I understand Mr A will naturally want to know the information I have reviewed in order to reach this finding. But I am treating this information in confidence, which is a power afforded to me under the Dispute Resolution Rules (DISP), which form part of the Financial Conduct Authority's regulatory handbook.

DISP 3.5.9R states:

"The ombudsman may:

(1) exclude evidence that would otherwise be admissible in a court or include evidence that would not be admissible in a court;

(2) accept information in confidence (so that only an edited version, summary or description is disclosed to the other party) where he considers it appropriate;

The evidence I have accepted in confidence is what Cashplus has sent me to justify why it thinks Mr A should not receive a refund of the funds he lost to the scam. This has led me to decide that even if I agreed with his underlying complaint, awarding this money to Mr A would not be fair or appropriate.

So, whilst I understand this will come as a disappointment to Mr A, I won't be asking Cashplus to do anything further.

My final decision

My final decision is that I don't uphold Mr A's complaint against Zempler Bank Limited trading as Cashplus.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 12 November 2025.

Sarah Brimacombe
Ombudsman