

The complaint

Mr A complains that Clydesdale Bank Plc won't refund money he lost when he fell victim to a scam.

What happened

Mr A saw an advert online for an investment opportunity with a company which I'll call N. He saw some positive reviews of N and believed it was a legitimate company specialising in cryptocurrency investment. Mr A was contacted by someone claiming to be a broker at N who would help him to invest.

This person helped Mr A to set up his trading account and advised him to download remote access software and to open new accounts with electronic money institutions (EMIs) to facilitate payments to cryptocurrency platforms. Unfortunately, and unknown to Mr A, N was not legitimate, he was dealing with a scammer.

Mr A made a series of payments to the scam between 21 September 2022 and 21 March 2023.

Ultimately, Mr A realised he had been the victim of a scam, and contacted Clydesdale to let it know what had happened. But Clydesdale declined to refund any of the disputed payments. It said it had intervened appropriately in the payments Mr A had made and had acted appropriately based on what Mr A had told it.

Mr A referred his complaint to our service. Our Investigator felt Clydesdale had treated Mr A fairly, and should not reasonably be held liable for any of his loss. In Mr A's complaint against R, the investigator found that R and Mr A should share liability for Mr A's loss from that account, and that complaint was progressed for an ombudsman's decision as R did not agree with the investigator's findings.

Because the funds considered under Mr A's complaint about R originated in his Clydesdale account, both complaints have been passed to me to decide, to ensure a consistent approach.

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've reached the same outcome as the investigator, I'll explain why.

It's not disputed that Mr A authorised the payments that are the subject of this complaint. So as per the Payment Service Regulations 2017 (which are the relevant regulations in place here) that means Mr A is responsible for them. That remains the case even though Mr A was the unfortunate victim of a scam. And, as these payments were made to accounts in Mr A's name, the Contingent Reimbursement Model Code also does not apply here.

Because of this, Mr A is not automatically entitled to a refund. But the regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams.

Taking the above into consideration, I need to decide whether Clydesdale acted fairly and reasonably in its dealings with Mr A, or whether it should have done more than it did. And bearing in mind all that I've seen, I'm satisfied that Clydesdale did act reasonably here based on what it knew or should have known about the payments Mr A was making.

Mr A did make a significant amount of payments, to new payees (albeit accounts in his own name) within a short period of time, and I do think this should have caused Clydesdale some concern. I note that Clydesdale did speak with Mr A about several of the payments he made. But in the circumstances, I think it is arguable it should have questioned him again as the scam progressed.

However, looking at what happened when Mr A did speak with Clydesdale, it is clear he was not being open about what he was doing. Mr A told Clydesdale he was moving money between his own accounts, Mr A also denied that any third party was involved in the payments. And so I can't see how Clydesdale would have been able to identify the real risk here – that Mr A was falling victim to a cryptocurrency investment scam – when he gave no indication that he was making payments as part of an investment and there was nothing in particular about the payments that would have indicated to Clydesdale that this could be a risk.

So, given that it appears that Mr A was not being honest with Clydesdale about what he was making the payments for, it is difficult to say that he would have been honest with Clydesdale if it had also questioned him about other payments he made. And when customers are not honest with banks it makes it very difficult for that bank to provide an appropriate and relevant warning that could stop a scam. Any warnings that I could reasonably expect Clydesdale to have given Mr A would have been based on what he had told it he was doing – sending money to his own accounts – and so would be unlikely to have resonated when the scam he was actually falling victim to was relating to cryptocurrency investment.

With this in mind, I don't consider that Clydesdale missed an opportunity to prevent Mr A's loss.

I've also thought about whether Clydesdale did all it could to try to recover Mr A's funds when he told it of the scam. But given that the payments Mr A made were to his own accounts elsewhere, I don't consider there is anything more Clydesdale could have done to recover those funds.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 4 December 2025.

Sophie Mitchell
Ombudsman

