

The complaint

Ms M complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ("NatWest"), have failed to refund money that she lost as part of an investment scam.

What happened

Ms M was introduced by a friend to a company that purported to be an investment firm, but she says it was actually a scammer that I will call C. Ms M was persuaded to make around 43 payments from her NatWest account to a crypto exchange totalling over £18,000, via what appears to be debit card payments in 2021 and 2022. The funds were then converted into crypto and were then sent to C.

C was due to pay Ms M daily returns, but after a certain point, these returns did not continue to materialise. At this point Ms M realised she had been scammed.

Ms M raised a complaint with NatWest, as she believed that it should have stopped her from making the payments in question.

One of our investigators looked into this matter and they did not uphold this complaint. They believed that Ms M had not sufficiently demonstrated that she had been scammed, and that any proportionate intervention would not have uncovered or stopped the scam

Ms M did not agree with these conclusions. So her 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 NatWest 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 NatWest 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 NatWest 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.

I note that the investigator said that he was not satisfied that Ms M had been scammed. But looking at the information provided, I am satisfied that Ms M had likely been scammed. I say this given the contents of the chats that Ms M provided, even though they seem to be later on in the scam.

I can see that NatWest did intervene around the start of the scam, but this was limited to it confirming that Ms M had made the payment in question. In the circumstances I don't think this intervention went far enough. So, I would need to consider what would likely have happened had an appropriate intervention occurred. In the circumstances, I think that an appropriate intervention would have been a human intervention during payment 2. However, when considering what an appropriate intervention may look like, I need to be mindful that NatWest do not have a duty to provide financial advice when a consumer attempts to make a payment or prevent people from investing in risky investments. Ultimately, it is up to the individual account holder to decide what they want to spend their money on.

So, I would need to be satisfied that there were concerns that C was operating a scam when Ms M made the payments from her NatWest account at the time of payments 2, in order to expect NatWest to have done anything further here. I've considered what the official organisations that publish warnings about merchants that operate in the UK and abroad may have said at the time. This includes the Investor Alerts Portal of the International Organisation of Securities Commissions ("IOSCO"), as well as the FCA's own warning list. These watchlists, along with other reputable sources, lead me to believe that there were no warnings about C at the time Ms M made her payments. Though I can see that a warning was added by the FCA the following month.

At the time Ms M made her payment, C appeared to be a crypto investment fund that invested in a variety of crypto coins with the aim of providing a return for its investors. I can't see anything negative about C online, around the time that Ms M made her payment, that would have made NatWest aware that C was not legitimate. I am also mindful that Ms M was referred by a friend to invest, so had not been approached out of the blue. And that friend had shown Ms M that they had made profits and other investors had shown Ms M that they had made withdrawals too. I also note that there was no use of remote access and that C was not fronted by a deep fake celebrity endorsement.

Overall, I'm not persuaded that there was any reason for NatWest or Ms M to have been aware that C was fraudulent or operating a scam at the time of the payment. So had NatWest intervened, I don't think that it would have been aware there were any issues with the payment. Therefore, even if NatWest had carried out an appropriate intervention, I don't think that the payment would have been stopped. Nor do I think a general warning would've made Ms M reconsider whether she should make the payment, given that as far as she was aware at the time, investing in C was a genuine investment opportunity.

Ultimately, I'm not persuaded there was anything suspicious at the time that ought reasonably to have concerned NatWest.

Ms M's representative has argued that NatWest should have intervened later on in the scam due to the pattern of payments. But the payments were for the most part small and even though there were occasions that multiple payments were made on the same day, given that I believe that NatWest should have already intervened when a pattern of payments had started to form - and such an intervention would likely have suggested that the payments were legitimate - I would not have expected NatWest to have been that concerned later in the scam. At most, I would have expected NatWest to have provided a further general warning about crypto scams if it considered the pattern of payments as unusual or suspicious, but the scam in question was atypical compared to the predominate type of scams that were going on at the time. Also, given the way that Ms M had been introduced to the scam, it's clear that Ms M had been given assurances from someone she trusted that C was genuine. So I doubt that a further intervention from NatWest giving a general warning about crypto scams would have stopped Ms M from making the payments.

I've also thought about whether NatWest ought to have done anything to recover the funds after Ms M reported her loss. Ms M didn't dispute the payment with NatWest for some years after the transactions. So it would be highly unlikely NatWest could have recovered any funds, particularly given it was several years after the payments had been made and the money had long since been converted into crypto and sent on to C. NatWest also wouldn't have been under any obligation to consider refunding the payment under the Contingent Reimbursement Model (CRM) Code either, given the payment seems to have been made to an account in Ms M's own name and they were card payments.

I appreciate this will likely come as a disappointment to Ms M, and I'm sorry to hear she has lost a significant amount of money. However, in the circumstances, I do not consider it would be fair and reasonable to hold NatWest liable for her loss.

My final decision

My final decision is that do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 27 November 2025.

Charlie Newton
Ombudsman