

The complaint

Mr T complains that Santander UK Plc won't reimburse him after he fell victim to an investment scam.

Mr T is professionally represented in bringing his complaint to our service, but for ease of reading I'll refer to all submissions as being made by Mr T directly.

What happened

On 24 September 2025, I issued my provisional decision on this complaint. I wanted to give both parties a chance to provide any more evidence and arguments before I issued my final decision. That provisional decision forms part of this final decision and is copied below.

The details of the complaint are well known to both parties so I won't repeat them in full here. But briefly, both parties accept that Mr T received a cold call from an individual purporting to be an 'equity strategist' for an investment firm. Mr T was offered an opportunity to invest in an artificial intelligence firm. Mr T researched the firm and it appeared legitimate. He's also explained he had a number of calls with the investment firm, that they seemed knowledgeable and professional and that a rapport was built over time.

On this basis, Mr T agreed to invest and made the following international payments:

Date of payment	Value
11/03/2020	£9,220.34
21/05/2020	£18,976.60
30/06/2020	£50,000
30/06/2020	£11,800
15/07/2020	£8,640
17/07/2020	£24,300

One further payment was made towards the scam and included within the investigator's view, but as it wasn't raised in Mr T's initial complaint with Santander and was made from his credit card, I don't think it would be fair to consider this payment as part of the complaint.

Mr T realised he'd fallen victim to a scam when he requested a share certificate and was provided with a poor quality document with his name spelt incorrectly. He asked a friend based in the same country as the purported investment firm to check the company's address, who found the company was not based there.

Mr T raised a claim with Santander but it declined to reimburse him. It said that as the payments were international, they aren't covered by any reimbursement codes and as Mr T

authorised the payments, he is therefore liable for them.

Unhappy with Santander's response, Mr T referred his complaint to our service. An investigator looked into the complaint and upheld it in part. She considered intervention steps Santander had taken, including a call with Mr T on payment three, but didn't think the intervention went far enough to make Mr T aware of the hallmarks of an investment scam. However, she also thought there were red flags that ought to have made Mr T aware that the opportunity may not be legitimate. She therefore recommended Santander reimburse 50% of Mr T's losses, with Mr T being liable for the remaining 50%.

Santander disagreed with the investigator's view. It said Mr T misled Santander in questions – that Santander asked if Mr T had been cold called and he confirmed he hadn't and that his friend had already invested, had recommended the firm to him and that Mr T had received a share certificate. Santander doesn't consider there were any red flags available online at the time of payment for it to have uncovered that this was a scam.

As Santander disagreed with the investigator's view, the complaint has been referred to me for a decision.

What I've provisionally 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, while I'm sorry to disappoint Mr T, I'm not minded to uphold his complaint. I've explained my reasons below.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

However, where the customer made the payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the customer even though they authorised the payment.

The Lending Standards Board's Contingent Reimbursement Model (the CRM Code) offers some protection for customers who have fallen victim to an APP scam – but the Code does not apply to international payments, as these were. Nevertheless, I would expect Santander to be on the lookout for out of character or unusual payments made from its customers' accounts, to ensure they weren't at risk of financial harm from fraud.

It seems Barclays accepts that a number of the payments made towards the scam were out of character, as it's confirmed payments one, three, four and six were all detected and confirmed as genuine. Unfortunately, due to the passing of time, Santander is unable to confirm what form of intervention took place except for in payment three where a call has been located (however having listened to this call, the advisor does make reference to previous calls, so I think it's more likely than not that Mr T was also called regarding payment one).

As intervention did take place as a result of these payments, the key question here is whether Santander's intervention went far enough and whether, had more been done, this would have stopped the scam from progressing.

I've reviewed the call between Santander and Mr T that is available for payment three. I don't think the call went far enough in questioning and probing Mr T – for example, Mr T is

asked if he's happy with where his money is going and whether he's done his own research – but no context is provided here, or advice on what Mr T should be looking out for as part of a scam. However, the Santander advisor also asked whether Mr T reached out to the investment firm, or whether it cold called him. Mr T responded 'I reached out to them initially. It was actually a friend of mine who had invested via them recommended I speak to them'. Mr T also references this being a particular share deal he was interested in and confirms he's received a share certificate. Mr T is advised that if he received a cold call about an investment opportunity or that he hasn't checked the company he's investing with, this could be a scam.

As Santander was made aware that Mr T was making an investment payment, I think it ought to have done more than it did to bring to life the typical hallmarks of such scams and used more open questioning to better understand specifically what checks Mr T had completed. However, I also have to take into account that in the one specific question it did ask, that could've helped ascertain this was a scam, Mr T wasn't honest about the payment he was making. Mr T said he wasn't cold called, when in fact he was – and provided a specific story about how he came across the investment.

Since the complaint has been with our service Mr T has clarified that his investment in the artificial intelligence firm was not recommended by a friend. Instead, Mr T sought the opinion of a knowledgeable friend to verify the legitimacy of this company, which was confirmed to be a real business with good investment potential. However, he says the friend was not aware of the specific route Mr T was using to purchase shares.

While I appreciate Mr T may have sought a second opinion from a friend before investing, this is not what he told Santander. He specifically said he contacted the investment firm after a friend recommended it. I therefore maintain that Mr T withheld important information from Santander that could otherwise have helped it uncover the scam. On this basis, I think that even if Santander had asked further questions, it's probable that Mr T may have been dishonest in his responses. I've thought about whether a general warning from Santander about some of the key hallmarks of an investment scam would've been enough to stop Mr T from making further payments – but I don't think it would have. Mr T was making payments to an international company, so typical checks he could've conducted such as checking the FCA register weren't available to him. There was also limited information available online for either Mr T or Santander to have relied on in verifying that this firm wasn't legitimate. Mr T has also explained he'd asked a knowledgeable friend for his opinion on the investment and received reassuring guidance that it was undergoing a share offering, which I think Mr T would've placed weight on when deciding to proceed with payments.

Therefore, having considered the complaint holisitcially, while I agree Santander could've done more here in its questioning of Mr T, I don't think further proportionate probing or warnings would've stopped Mr T with proceeding with these payments and I'm therefore not minded to ask Santander to reimburse his losses.

My provisional decision

My provisional decision is that I don't uphold this complaint.

Santander agreed with my provisional decision but Mr T did not. To summarise, he said:

- It's unfair to penalise him when Santander cannot provide evidence of other interventions that took place during the scam. The passage of time should not exempt Santander from its responsibility to maintain comprehensive records.
- My decision relies heavily on one misleading response provided. It's unjust to

penalise based solely on this, without considering the broader context of interventions.

- The decision seems to absolve Santander of its duty of care to protect customers from financial harm from fraud.
- It's speculative to assume Mr T would've lied if further questioned by Santander, despite no evidence having been provided.
- Both my decision and the investigator's view set out inadequacies in Santander's intervention, so it's reasonable to conclude that liability between the parties should be shared.

Mr T also asked for a copy of the call recording provided by Santander, although I can see this was already provided in March 2025.

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 appreciate Mr T's strength of feeling in this case, and I'd like to assure him I've carefully considered all the additional points he has made. However, having done so, while I'm sorry to disappoint Mr T, my opinion remains the same and I am not upholding his complaint. I've provided my reasons below, covering Mr T's additional points.

First on the point of available evidence, while it is, of course, always ideal to be able to consider all intervention steps, I have to account for the fact that these payments took place in 2020 – and as time passes and business systems change or data retention policies are applied, it inevitably becomes more difficult to locate evidence like calls. This doesn't mean I disregard that earlier intervention took place – but the best evidence I have in determining how any intervention likely went is to consider the call I *do* have – and based on that call I can't fairly conclude that Mr T would've been entirely honest in answering Santander's questions.

In response to Mr T's concerns that I relied heavily on one response, I want to clarify this isn't the case. I think it's a significant factor – as it impeded Santander's ability to accurately direct further questions it asked – but I've also thought about the specific response Mr T provided, the detail he provided in a response that wasn't accurate in deciding how subsequent questions would've landed, and also the scam itself and how easily uncoverable it could have been to Santander, despite Mr T's answers to questions. As set out above, based on the facts of this scam, I haven't been able to conclude that better general warnings about scams of this nature would've put Mr T on alert that he was at risk here – and I don't think it would've been apparent to Santander either with further probing into what Mr T was investing in.

My decision does not absolve Santander of its duty to protect its customers, I'm wholly in agreement that Mr T's account activity was out of character and that intervention by Santander was warranted. But where this has taken place and been unsuccessful, I have to then consider what benefit further intervention would've had and whether I can fairly say Santander could reasonably have stopped the scam. My role isn't as straight forward as determining both sides could've done more and so liability should be split – I first need to determine whether faults on Santander's side caused Mr T's losses. In situations such as this where I don't consider that to be the case, it then wouldn't be fair to hold Santander partially liable, and that is why I haven't determined a split liability to be the fair outcome

here.

Lastly on my consideration of Mr T's actions being speculative, unfortunately, this is always going to be the case where a bank could've asked further questions, *and* a customer could've been more transparent – I'm never going to know how this call would've unfolded had these factors not been at play. I can only consider what evidence is available to decide what I think is most likely. And for the reasons I've set out, I don't think further questions would've impacted Mr T's choice to proceed and therefore, while I'm sorry to disappoint Mr T, I can't agree that Santander is liable to reimburse him.

My final decision

My final decision is that I don't uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 10 November 2025.

Kirsty Upton
Ombudsman