

The complaint

Dr C complains that Allied Irish Banks Plc (“AIB”) won’t refund the money he lost to an investment scam.

He is represented by a Claims Management Company. For simplicity, I’ll refer to Dr C throughout this decision.

What happened

The background is known to both parties, so I won’t repeat it in detail. In summary, Dr C says he received an unexpected message from someone who claimed to have contacted him by mistake. A relationship nonetheless developed and, in February 2022, he began investing in what he believed to be a genuine crypto-investment on that person’s advice.

He says he was given access to what appeared to be a convincing investment portal and initially “invested” relatively small amounts. Over the following months, he was encouraged to invest much more heavily as the purported profits shown on the portal increased.

When Dr C later tried to withdraw those supposed profits, he was repeatedly told that further payments were required to cover various fees. He realised he had in fact been dealing with a scammer when the individual stopped responding and the portal disappeared. By then, more than £60,000 had been sent from Dr C’s AIB account between February and July 2022 to an account he held with another payment service provider (I’ll call “R”). Those funds were then sent to his account with a crypto-exchange and ultimately lost to the scam.

Dr C complained to AIB in July 2025 and the matter was then referred to this Service. Our Investigator considered it and upheld it. In short, she thought that while AIB had intervened, it should have taken further steps to establish what was happening. If it had done so, Dr C’s further losses would likely have been prevented. She also found that Dr C had contributed to his losses. Given that R had agreed to refund 25% of the losses, she concluded AIB should refund 25% of the losses from the point at which it missed the opportunity to prevent the scam. As the matter couldn’t be resolved informally, it’s 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’ve decided to uphold it for similar reasons as the Investigator.

The starting point, under the Payment Services Regulations 2017 and the terms of Dr C’s account, is that he is responsible for payments he has authorised. However, that’s not the end of the matter. While firms are generally expected to act on their customers’ instructions, they also have a role in helping to prevent fraud. At the time of this scam, I consider it would have been fair and reasonable for AIB to monitor accounts for unusual payments or activity. Where a suspicious payment or activity are identified, I would expect a firm to take further steps and carry out additional proportionate checks before allowing a payment to proceed.

Should AIB have recognised that Dr C was at risk of fraud?

It's not in dispute that Dr C authorised the payments from his account, or that the funds were sent to his account with R before being moved on and lost. I've also considered AIB's point that awareness of certain scams has developed over time. Even so, I'm satisfied that, by the time Dr C made his £10,000 payment on 8 March 2022, there were sufficient factors to justify intervention. The payment was of significant value and the third payment to the same payee that day. It also brought Dr C's spending to a significantly high level within a short period.

AIB did in fact identify a payment risk and contacted Dr C about it. In calls with the bank on 8 March 2022, Dr C explained that the payment had been blocked. He asked if this might be because of limits, noting he had recently transferred £4,500 to his account with R. He was told this could be because R was classified as "high risk" due to levels of associated fraud. Despite this, Dr C was transferred to another department, which assisted him in sending the £10,000 without any apparent further checks. While AIB's fraud team later contacted him again, this was limited to confirming that he had made the payment, how he had obtained the payment details, and if he alone had access to the account. The warnings focused on "impersonation" scams which didn't resonate with Dr C – and I can understand why.

Like the Investigator, I don't consider that AIB's intervention went far enough. In my view, it should have taken further steps, including making proportionate enquiries about the purpose of the payment, given the level of risk presented. And although AIB has suggested additional questioning wouldn't have exposed the scam, I'm not persuaded that this is the more likely scenario. I've seen little to indicate that Dr C would have been unwilling to engage openly with the bank if questioned, that he would have misrepresented the nature of the payment, or that he failed to take account of relevant warnings from other sources.

On balance, I consider it more likely that, had proportionate and targeted enquiries been made, Dr C would have explained what was going on. It would, for example, have come out that he was acting on the advice of someone he hadn't met, that he was moving funds to another of his accounts to invest in cryptocurrency, and that he hadn't withdrawn any funds. I'm not persuaded Dr C would have continued making payments had he received clear and relevant warnings about what his situation looked like. While I again acknowledge that AIB wasn't the point of loss, it did identify a risk. And I think it can fairly and reasonably be held liable for Dr C's losses in circumstances where it missed an opportunity to prevent them.

Should Dr C bear any responsibility for his losses?

In considering this point, I've taken into account the law on contributory negligence, as well as what is fair and reasonable in the circumstances.

The Investigator upheld Dr C's complaint but concluded he should bear some responsibility for his losses. She therefore recommended that AIB refund 25% of the losses incurred from the £10,000 payment made on 8 March 2022. As Dr C accepted this outcome, I will explain only briefly why I agree with that conclusion.

I'm mindful of what Dr C has told us about his health and personal circumstances at the relevant time. However, I can't overlook that he went on to "invest" significant sums on the advice of someone who had seemingly contacted him by mistake. By April 2022, he was being asked to pay fees to withdraw almost £590,000 – something which, given the time and amounts involved, I think most people would recognise as "too good to be true".

The scam communications also show Dr C did have doubts about the requests for the fees. I'm not satisfied he was given particularly plausible explanations as to why fees were needed or why they had to be paid in cryptocurrency, including purported payments to the Bank of

England. I agree Dr C should have acted more cautiously in light of the red flags and that it's fair for him to bear some responsibility for the losses he incurred.

In terms of apportioning responsibility, I've considered the mistakes made by both AIB and R, which I regard as similar in nature. Both firms should have recognised that Dr C was at an increased risk of financial harm from fraud and should have taken steps to prevent further losses. However, where two firms have made the same or similar mistakes, I don't consider their combined failings make them more at fault than if only one firm had made the mistakes. Taking everything into account – including Dr C's actions, the actions of both firms, and that R has agreed to refund 25% of the losses from the trigger point identified – I'm satisfied it's fair for AIB to refund 25% of the losses from that same point.

Putting things right

Dr C sent funds from his AIB account to his other account with R, from where the money was sent on and lost. As noted by the Investigator, losses of £56,614.96 (which Allied Irish Banks Plc could have prevented) were incurred from the trigger point identified. So, to put things right, Allied Irish Banks Plc needs to refund 25% of £56,614.96, with simple interest at 8% per year from date of payments to date of settlement, less any tax lawfully deductible.

My final decision

For the reasons given, I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Dr C to accept or reject my decision before 13 May 2026.

Thomas Cardia
Ombudsman