

The complaint

Mr M complains that Lloyds Bank Plc won't refund him the money he lost in an investment scam.

Mr M is being represented by a professional representative, but for ease of reading I'll just refer to Mr M.

What happened

The circumstances surrounding this complaint are well-known to the parties, so I won't repeat them at length here. Instead I've summarised what I consider to be the key points.

Mr M says he was contacted over a popular messaging application about an investment opportunity. This was in around late September 2023. He says he was led to believe he could generate a profit by investing in cryptocurrency through an investment company. Mr M opened an account with the investment company, but it now seems the investment company was a scam.

Mr M says he transferred money from his Lloyds account to an account he had with a cryptocurrency exchange, converted his money into cryptocurrency and sent the cryptocurrency to the trading account. He had an account manager, who made trades on his behalf and his investment appeared to be growing in value.

In December 2023, Mr M tried to withdraw his money from the investment, but he faced difficulties and was told he needed to make further payments before his funds could be withdrawn. He says that it was at this point he realised he had been the victim of a scam.

Mr M says he made the following payments as part of this scam:

Date	Amount	Payment Type	Destination
27/09/2023	£1,000	Faster Payment	Own cryptocurrency account
09/10/2023	£2,000	Faster Payment	Own cryptocurrency account
10/11/2023	£5,000	Faster Payment	Own cryptocurrency account
10/11/2023	£5,000	Faster Payment	Own cryptocurrency account

Mr M complained to Lloyds on 16 September 2024. He says Lloyds ought to have intervened in these payments because they were out of character for his account and matched known fraud patterns. That's because the payments were high value, they escalated in value, money came into the account and was sent out rapidly, the frequency of payments increased as the scam progressed and all the payments were made to a cryptocurrency exchange. He says Lloyds should have blocked the payments, asked him probing questions and provided effective warnings. He says that if it had done so, the scam would have been uncovered and Mr M's losses could have been prevented.

Lloyds didn't uphold Mr M's complaint. It said the payments were not out of character with Mr M's usual account activity.

Our investigator asked Mr M to provide a copy of a statement from his cryptocurrency

account to show that the money he sent to his cryptocurrency account was actually sent on from there to the scammer. Mr M sent copies of screenshots from his cryptocurrency account showing money deposited into his cryptocurrency account from Lloyds. He sent copy screenshots showing this money was converted into cryptocurrency on the same days it was deposited into his cryptocurrency account. Mr M also provided copies of emails and messages between him and the scammer referring to some payments to his investment account.

I asked the investigator to request evidence from Mr M to show that the cryptocurrency he bought was actually sent out of his cryptocurrency account to the scammers. Mr M responded by providing screenshots from his cryptocurrency account showing a purchase of 0.27244267 BTC on 30 April 2024 and a withdrawal of the same amount on 21 July 2024.

I then asked the investigator to tell Mr M and Lloyds that I had not seen sufficient evidence to show that Mr M had lost the amounts he was claiming and that based on the evidence I had seen so far, I didn't intend to uphold his complaint. I gave him some additional time to provide evidence of loss, but I have not received anything further.

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.

In order to uphold Mr M's complaint against Lloyds, I would need to be reasonably satisfied that he has been the victim of a scam and has lost the amounts he is claiming for.

There is some evidence that he has been the victim of a scam. I have a copy of an email from the scammer dated 12 January 2024, in which Mr M is asked to send £5,000 to a wallet address which he was told he needed to do to allow his money to be released and his investment account liquidated. Other emails, such as an exchange with the scammers on 22 December 2023 are similar in content. I've also been provided with screenshots of messages exchanged between Mr M and the scammers which are similar, encouraging him to invest more and providing excuses for delays in Mr M being able to make withdrawals. The evidence additionally refers to some amounts that Mr M says he has sent to his investment account. This type of communication certainly bears the hallmarks of a scam and suggests he sent some money to it.

However, I have not been provided with evidence, such as a transaction history from Mr M's cryptocurrency account, showing that the cryptocurrency he bought between September and November 2023 was withdrawn from that account around that time. It appears Mr M has access to transaction details for his cryptocurrency account because he's been able to send screenshots showing money was deposited into this account and that it was converted into cryptocurrency.

He's also been able to provide some details of transactions on his cryptocurrency account from 2024, which he has submitted as evidence that cryptocurrency was sent on to the scammer. But it seems to me this evidence cannot show the transactions in which Mr M's cryptocurrency was sent to the scammers because it shows transactions from 2024, but based on what Mr M has told us, all the transactions in which he transferred money from his cryptocurrency account to the scammers must have taken place in 2023. That's because he says he became aware of the scam in December 2023 after he tried to withdraw his money from the investment but was unsuccessful and was being asked to send more money in order to release the money he had already invested.

Overall, while I accept that it's possible Mr M has been the victim of a scam here and he may

have lost a significant amount of money, in the absence of evidence showing money was sent out of Mr M's cryptocurrency account between September and December 2023, I consider I'm not in a position to say with any degree of certainty that the money Mr M sent to his cryptocurrency account from his account with Lloyds, has been lost to scammers, or if it has, how much of it. I do feel this evidence ought to have been reasonably accessible to Mr M in view of his ability to provide other evidence from his cryptocurrency account and he has been given several opportunities to provide it.

For those reasons and based on the evidence that has been provided to me, I don't consider it's reasonable to uphold Mr M's complaint.

My final decision

I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 November 2025.

Greg Barham
Ombudsman