

The complaint

Miss L complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (NatWest) is refusing to refund her the amount she lost as the result of a scam.

Miss L is being represented by a third party. To keep things simple, I will refer to Miss L throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Miss L has told us that she found a crypto investment platform I will call "X" advertised on social media and endorsed by well-known public figures. Miss L signed up with X and received a call from it.

Miss L was guided on how to open an account with a well-known crypto currency exchange via remote access software and was advised to make payments into the investment via the app.

Miss L tells us that she appeared to have access to X's platform and having made a profit was able to withdraw funds. Miss L was then convinced to make further high value payments in relation to the investment with the view of making higher profits.

Miss L had two accounts with X, and each had a credit applied to them by X. When Miss L tried to withdraw what she thought were her profits she was told she could only do this if she made further payments first.

The following table includes payments relevant to the scam:

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
	29 October 2024	Payward	Credit	£193.05cr
	15 November 2024	Bank Loan	Credit	£5,000.00cr
	18 November 2024	Individual A	Credit	£4,500.00cr
	18 November 2024	Individual A	Credit	£300.00cr
1	18 November 2024	Payward	Transfer	£4,500.00
2	18 November 2024	Payward	Transfer	£4,500.00
3	18 November 2024	Payward	Transfer	£600.00
	18 December 2024	Business A	Credit	£20,000.00cr
	18 December 2024	Payward	Transfer (Declined)	£20,000.00
	19 December 2024	Miss L	Transfer	£20,000.00
	5 January 2025	Return	Credit	£1,410.36cr

Our Investigator considered Miss L's complaint and didn't think it should be upheld. Miss L disagreed, so this complaint has 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.

It has not been disputed that Miss L has fallen victim to a cruel scam. The evidence provided by both Miss L and NatWest sets out what happened. What is in dispute is whether NatWest should refund the money Miss L lost due to the scam.

Our Jurisdiction

Before I continue to consider Miss L's complaint it is important to make clear that I am unable to ask NatWest to refund the payment highlighted in bold in the table above. From the information provided it appears these funds were provided to Miss L's business by way of a director's loan.

While this amount appears to have been lost to the scam in these circumstances Miss L was not the customer by definition and she is not an eligible claimant.

Recovering the payments Miss L made

Miss L made payments into the scam via transfer. When payments are made by transfer NatWest has limited options available to it to seek recovery.

In any event Miss L didn't make the disputed payments to X directly, instead the payments were made to a well-known cryptocurrency exchange in exchange for cryptocurrency that was provided to her. As it took further steps for the funds to end up in the hands of the scammer, any attempt to recover the payments would have no chance of success.

Should NatWest have reasonably prevented the payments Miss L made?

It has been accepted that Miss L authorised the payments that were made from her account with NatWest, albeit on X's instruction. So, the starting point here is that Miss L is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether NatWest should have been aware of the scam and intervened when the payments were being made. And if it had intervened, would it have been able to prevent the scam taking place.

The payments Miss L has disputed are relatively high in value and were being made to a well-known cryptocurrency exchange. Considering the high value of the payments, and that NatWest would have been aware at the time of the higher risk associated with cryptocurrency related payments, I think NatWest should have had concerns that Miss L was potentially at risk of financial harm when she made payment 1 and it should have intervened.

I think that a proportionate intervention to the risk associated with payment 1 would have been for NatWest to have discussed the payment with Miss L, and depending on the information she gave, to have provided an appropriate warning.

However, I don't think it would have made a difference if NatWest had intervened in the way I have said it should have above. I will explain why.

NatWest did intervene when Miss L attempted to make a £20,000 payment to Payward on 18 December 2024 and a call between Miss L and NatWest took place. NatWest has provided a recording of the call.

During the call NatWest explained that the payment had not been successful as limits applied to cryptocurrency payments. Any payments made over the limit would be rejected.

Miss L confirmed:

- She was making the transfer to an account she had opened 3-4 months ago
- She opened the account herself
- She had access to the account via the app and had been able to withdraw funds
- She had not been approached by anyone on the internet to transfer money to them to purchase cryptocurrency

Miss L was warned:

- If anyone approached her offering for her to buy cryptocurrency from them it's likely a scam
- Everything is better done through the cryptocurrency platform, if anyone asks her to get involved in schemes outside of that it will almost certainly be a scam
- If anyone advised her to do specific things this would not be a good sign, no one will give free advice
- If you do process a payment and it turns out to be a scam it would be unlikely to recover the money

I think the warnings provided by NatWest should have caused Miss L to have concerns she had been guided to open cryptocurrency accounts having found the opportunity online via social media. Miss L was also being guided on what to do and was being provided with advice.

Even though Miss L received the warnings highlighted above she still went on to make further payments in relation to the scam. I don't have enough to say that Miss L would have taken any more notice had NatWest intervened further, or any earlier in the scam.

Miss L says that NatWest should have done more and intervened further than it did. But with the above in mind, I'm unable to say NatWest missed an opportunity to prevent the scam and it is therefore not responsible for Miss L's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 12 March 2026.

Terry Woodham
Ombudsman