

## **The complaint**

Mr G complains that Bank of Scotland plc trading as Halifax will not reimburse funds he lost to a scam.

Mr G is represented by a firm, but for ease I have only referred to Mr G in this decision.

## **What happened**

Mr G came across an advertisement for an investment firm which we now know to be a scam. Mr G registered his interest and was contacted by an account manager working with the firm. And between August 2022 and April 2023 he made payments of approximately £429,649.21 to a legitimate cryptocurrency platform before sending the funds to the scam firm. He also sent payments from another account he held with a business I'll refer to as "R". Mr G realised it had been a scam when the scammer stopped contact and he couldn't access his funds. He later reported the matter to Halifax and R, but they didn't reimburse his funds or uphold his complaint.

Our Investigator did not think the complaint should be upheld. He thought Halifax should have intervened earlier than it did but he concluded that had there been earlier intervention the outcome would likely have been the same. Mr G didn't accept our Investigator's view, as such the complaint has been passed to me for 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 have reached the same outcome as our Investigator and for similar reasons. I'll explain why.

Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Halifax should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

Considering the value of the two payments and that they were made to a relatively new payee, I think Halifax ought reasonably to have been concerned that Mr G might be at an increased risk of financial harm from fraud and questioned him about the purpose and context of the payments. It should also have provided appropriate warnings about the scam risks the payments posed. Halifax said its advisors would have completed a high value checklist before processing the payments, however it's not been able to provide the checklist that was completed, or evidence what information or warnings it gave Mr G at the time. As such, I find there isn't enough evidence available to satisfy me that it intervened or that it's intervention was sufficient.

However that's not the end of the matter, I must also consider whether it would have been able to prevent the loss had it intervened as I think it ought to have done. I am not

persuaded it could. I say this because Mr G attempted to make further payment in April 2023 and Halifax intervened and questioned him about it. Due to its concerns it directed Mr G to the local branch to provide identification documents. However Mr G gave misleading information when questioned. For instance he told staff that the payment he made in December was to pay off a mortgage for a property he had abroad which was untrue. Halifax detected the use of screensharing software on his device which Mr G stated he downloaded for his marketing business so he could get help with spreadsheets from his colleagues. Mr G offered this answer without guidance from the scammer, and I think this demonstrates that he was determined to get through the bank's security checks. Halifax decline the payment and Mr G proceeded to complete the transaction through his account with R. Mr G also gave inaccurate information when R questioned him.

I find Mr G was taken in by the scam, so much so that he was convinced to invest his pension, and he was even willing to sell property in his portfolio to fund the investment. The scammer gave guidance and coached Mr G on what to do if questioned about his payment instructions. While the coaching was not significant, Mr G's actions show that he was intent on investing his funds and willing to mislead both Halifax and R to ensure his payment instructions would be processed. It follows that had Halifax intervened sooner and in the way I would've expected, on balance I think it is more likely than not Mr G would have answered its questions in much the same way. I find Mr G went to great lengths to invest, he often transferred funds between various accounts and visited several bank branches to facilitate the transactions. So even if Halifax went as far as to decline the earlier transactions, I think it is likely he would have found alternative means of making payment as he did at various times in the scam. As such, I'm not persuaded Halifax would have been able to prevent the loss Mr G incurred.

I have thought carefully about all that's happened. I recognise that Mr G was heavily influenced and manipulated by the scammer and I am by no means blaming him for this. I understand that the funds Mr G lost are considerable, and I sympathise with him. But for the reasons I've given, I can't fairly or reasonably hold Halifax liable and require it to reimburse him.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 7 January 2026.

Oluwatobi Balogun  
**Ombudsman**