

## **The complaint**

Mr A complains that The Royal Bank of Scotland Plc (“RBS”) did not reimburse the funds he says he lost to a scam.

## **What happened**

Mr A became aware of a company I will refer to as ‘X’ when he saw an advert online. He also met a representative from X at a seminar in 2019 and learnt about their investment opportunity in leasing cars. Mr A looked online, saw positive reviews and reviewed the professional looking marketing before deciding to invest. He transferred £23,000 from his RBS account to X in April 2020.

Mr A signed a loan agreement with X in April 2020 agreeing to loan them £28,000. He was told his investment would be used to fund two vehicles which would then be leased out, and he would receive fixed interest payments each month. The monthly returns were set at £534.72, and Mr A received 29 of these totalling £15,347.89.

X went into administration and Mr A did not receive any more returns. He raised a scam claim with RBS for the payments he had made to X and asked it to refund him in full. RBS issued a final response letter in March 2025 saying that as a police investigation was ongoing, they wanted to wait for the outcome of the investigation before reaching a decision.

The complaint was referred to our service and our Investigator looked into it. They did not think we had enough evidence to show exactly how Mr A had funded his investment with X. Prior to the scam payments, Mr A transferred some large credits from his savings account into his current account to fund the scam. And his savings account was funded by a large number of credits from PayPal. Mr A said these credits were as a result of an online personal shop he had at the time, but he was unable to provide any evidence either from PayPal or from the online shop at all. Because of this, the Investigator did not think they had enough to be satisfied Mr A had suffered a loss in the circumstances so did not uphold the complaint.

Mr A’s representative disagreed with the findings and felt that we should treat the evidence available on the balance of probabilities. They felt Mr A had been consistent in his testimony and that there was enough to show the loss was his.

As an informal agreement could not be reached, the complaint has been passed to me for a 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.

I have focused on what is now the crux of the issue; whether we can be satisfied, on balance, that Mr A has suffered the loss in the circumstances. This is because if I were to agree with Mr A’s complaint and recommend that RBS reimburse the £23,000 he sent to X, I could only do so if I were satisfied he had incurred a loss on this particular case.

Mr A has said the credits into his savings account, which were then transferred over to his current account and formed the basis of the scam payments, were from sales from an online

shop he held previously. I can see that between 2 March 2020 and 27 April 2020, there were a large number of credits from Paypal, the majority of which ranged from £500 to £800, with one more substantial payment of £3,834.89, which over that time period totalled over £20,000.

Mr A has told us these funds came from his own personal online shop which was not a business venture. He has said he no longer has any evidence such as correspondence related to sales from the shop, statements for the Paypal account or any documentation to show he had an online store or a Paypal account.

While I do appreciate it had been some time since Mr A says he had the shop and the associated PayPal account, I would have expected there to be some trace that it existed previously. I want to be clear that I am not suggesting Mr A has fabricated his version of events, but we do have to rely on evidence to some extent to be satisfied there has been a genuine loss which belongs to Mr A specifically. While I accept it is not unusual for an online store to be linked to Paypal, I also have to consider that an income of over £20,000 over 8 weeks for a personal store is relatively high and when this is considered alongside there being no evidence of the online store having existed it becomes difficult to agree a clear loss has been evidenced on balance in this case.

As a result, I unfortunately have to agree that I have not seen enough evidence to be satisfied the loss that has been incurred here belongs to Mr A and has come from funds he was entitled to. I therefore do not recommend that RBS reimburse him in the circumstances.

### **My final decision**

I do not uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 5 March 2026.

Rebecca Norris

**Ombudsman**