

The complaint

Mr S complains that Northern Bank Limited trading as Danske Bank, won't refund money he says he lost to an investment scam.

Mr S is professionally represented, however, to keep things simple, I'll refer to Mr S throughout my decision.

What happened

As the parties are familiar with the facts of this case, I'll summarise them briefly.

Mr S came across a cryptocurrency investment opportunity via a popular social media platform. Subsequently, he was contacted by an individual who taught Mr S how to trade on the platform and he was encouraged to invest further funds to increase his profits. Mr S said he realised he had been a victim of a scam when he asked to withdraw the funds and was told he had to pay commission and inheritance tax before being allowed to make any withdrawals.

Mr S invested just over £52,000 from his Danske Bank account between December 2023 and June 2024. Danske Bank declined to reimburse the payments on the basis that the funds were in line with other transactions Mr S had previously made to other crypto exchange providers, both in frequency and value, so the disputed payments did not appear to be unusual for his account. However, Danske Bank said they did call Mr S before he made the first payment to one of the crypto exchange providers and he confirmed he hadn't been asked to invest by somebody on social media and that he had access to withdraw funds from the trading platform as he wished. As a result, Danske Bank didn't feel it could have done any more to protect Mr S from falling victim to the scam.

Mr S referred the matter to our service. The Investigator didn't uphold the complaint. In summary she said Mr S authorised the disputed payments. And she hadn't been provided with sufficient evidence to show that he had lost the money to a scam. So, the Investigator didn't think Danske Bank needed to do anything else.

Mr S didn't agree and said Danske Bank should have done more to protect him from the investment scam he says he fell victim to.

As no agreement could be reached, the case was 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 agree with the Investigator's findings for broadly the same reasons. I will explain why.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probability – that is what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Danske Bank are expected to process authorised payment instructions without undue delay. But as a bank, they also have long-standing obligations to help protect customers from financial harm from fraud and scams. Those obligations are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether Danske Bank is responsible for the loss Mr S claims to have suffered if, indeed, he has been scammed. I've therefore considered whether Mr S was a victim of a scam.

From what's been provided, I can't see anything to show that Mr S made the payments from his Danske Bank account specifically for the investment scam he says he fell victim to. He has provided information which shows he made payments to crypto exchange providers, which were subsequently withdrawn, but he's not been able to supply evidence to show how the funds were lost to the scammers. And due to the complexity and length of most wallet addresses we would usually expect to see some form of written communication from scammers sharing these details, which hasn't been provided.

And while I don't dispute Mr S's version of events, our service has asked Mr S on several occasions to provide further evidence, which hasn't been provided. I want to highlight at this stage I haven't overlooked Mr S's difficult circumstances, or the challenges he's faced in obtaining certain evidence.

However, given the circumstances of this complaint and how the scam evolved, I don't think it is unreasonable to conclude that Mr S would be able to provide evidence of the loss as a result of a scam. Or scam conversations demonstrating the scammer providing Mr S with the details of where to send the funds to and discussions surrounding the alleged 'investment' scam. I've considered Mr S's testimony and while I can only be satisfied that he made the transactions on his account, I can't be satisfied that the beneficiary of the funds was the scammer. Ultimately, I haven't seen anything to specifically show that the transactions in question were carried out in relation to a scam.

As I have explained above, even if I were to be satisfied Mr S had fallen victim to a scam, I'm unable to establish the actual loss he claims to have suffered. So, on balance, I can't be entirely satisfied Mr S fell victim to the investment scam. Nor can I be satisfied that Mr S didn't benefit from some of the transactions – due to an absence of evidence of why they were made. And without being able to establish the loss suffered (if any), I can't fairly or reasonably direct Danske Bank to refund Mr S the disputed transactions.

I've also thought about whether Danske Bank could've done more to recover the funds after Mr S reported the matter. In this instance, as the payments were made by debit card, the only method of recovery would be to attempt a chargeback. But this likely wouldn't have been successful. This is because the service Mr S paid for from the crypto exchanges was provided.

I have a great deal of sympathy for Mr S and the loss he says he has suffered. But it would only be fair for me to direct Danske Bank to refund his loss if I thought they were responsible – and I'm not persuaded this was the case.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 December 2025.

Israr Ahmed
Ombudsman