

The complaint

Mr K complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest') won't refund the money he lost after falling victim to a scam.

What happened

Mr K says he was called about an investment opportunity, which involved the purchase of Limited-Edition art prints.

Mr K made two payments using his credit card in June 2021, for £510 and £4,335.

Mr K says he became aware it was a scam after he was contacted by a journalist.

Through a professional representative, Mr K raised a fraud claim with NatWest in 2025. NatWest declined to refund Mr K saying they're not liable for his loss. NatWest explained that Mr K had raised the claim too late for them to consider a chargeback and that he wasn't entitled to a refund under Section 75 of the Consumer Credit Act 1974 (CCA).

Mr K wasn't happy with NatWest's response, so he brought a complaint to our service.

An investigator looked into Mr K's complaint but didn't recommend that NatWest refund him. The investigator wasn't satisfied that NatWest should've identified a scam risk when the payments were made, so weren't required to intervene. The investigator confirmed that Mr K raised his fraud claim too late for a chargeback to be considered. The investigator wasn't satisfied that there was a misrepresentation or breach of contract under Section 75.

Mr K disagreed with the investigator's opinion and asked for an ombudsman to review his case. Mr K says there was clear misrepresentation as the artwork was grossly overvalued, he was promised an unachievable profit, and the resale market didn't exist.

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 deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. It's not in dispute that Mr K authorised these payments, although he did so not realising he would suffer a financial loss.

Having carefully considered the points Mr K has raised, I've reached the same answer as the investigator. I'll explain why.

Taking into account the law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider NatWest should fairly and reasonably have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams.

Also, I'd expect NatWest to have systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). And where a potential risk of financial harm is identified, to have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – as in practice all banks do.

I'm not satisfied that the two payments Mr K made were so unusual and out of character that I would've expected NatWest to have identified a potential risk of financial harm from fraud or intervened when the payments were made. I realise this was a lot of money for Mr K, but NatWest has to find a balance between identifying potentially concerning payments and taking appropriate action, while ensuring minimal disruption to legitimate payments. Here, I'm not satisfied that the value of the payments and pattern of the payments, is so unusual that I would've expected NatWest to have intervened. So, I can't fairly say they could've prevented Mr K's loss.

As these payments were made on Mr K's credit card, normally he might be eligible for a refund under chargeback or Section 75 of the CCA. However, there are time limits in which a chargeback has to be raised, and in this case, Mr K raised his fraud claim too late and outside those time limits. So NatWest couldn't have raised a chargeback.

Section 75 can provide additional protection in relation to breach of contract or misrepresentation. I have carefully considered the points Mr K's representative has raised on those two points, but I'm not satisfied that Mr K is entitled to a refund under Section 75 either. I say this because the marketing material and terms and conditions don't guarantee a return in relation to the art. The marketing material talks about previous returns that have been achieved but there isn't a guarantee regarding future returns.

Mr K also referred to the secondary resale market not existing. However, I'm not persuaded that Mr K was induced into making the investment on the basis that there was a secondary resale market.

Mr K has raised a concern regarding the art being overvalued when it was sold to him. But the price of the art was accepted by Mr K when he agreed to purchase it and made the payment. So, this wouldn't constitute a misrepresentation.

Having considered all the evidence, I'm not satisfied that Mr K would be entitled to a refund under Section 75 of the CCA.

I'm really sorry that Mr K has lost this money, but I'm not satisfied that I can fairly hold NatWest liable for his loss.

My final decision

My final decision is that I don't uphold this complaint against NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or

reject my decision before 13 January 2026.

Lisa Lowe
Ombudsman