

The complaint

Mrs B complains NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (NatWest) renege on an agreement to let her exceed crypto currency payment limits. She is also unhappy with the poor service provided when considering the issues.

What happened

Mrs B contacted NatWest in early 2024 to discuss the limits on payments made to crypto currency accounts. From 16 March 2023 NatWest had imposed a limit of £1000 per day and £5000 in any 30 day period, until further notice. Each limit applied separately to each account.

Mrs B didn't think the limit was sufficient for what she wanted to invest into crypto currency and contacted NatWest. In April 2024 Mrs B and NatWest reached an agreement to allow her to invest more than the general payment limits for crypto currency payments.

The agreement was for six months until 17 October 2024 and Mrs B confirmed she understood the higher risks of investing in crypto currency. She agreed that NatWest would not be liable to her for any loss or damage she could incur as a result of making these payments to her crypto currency accounts.

Following the implementation of the agreement, Mrs B made some payments to her crypto currency accounts and was able to bypass the general crypto payment limits.

In September 2024 Mrs B contacted NatWest to ask for an extension to the agreement – this was arranged by NatWest and it was extended until April 2025. During this process NatWest highlighted that it was conducting a bank wide review of these types of waiver agreements and they may not be able to extend these in future.

On 11 October 2024 Mrs B made a payment instruction of £1250 to her crypto currency account but the payment wasn't processed. Mrs B contacted NatWest the same day but NatWest said it would need to investigate and come back to Mrs B.

NatWest finally responded to Mrs B on 23 October to let her know that following recent regulatory changes it had taken the decision to withdraw the previous agreement, which allowed an exception to the general rule for crypto currency payment limits. It said it was unable to offer Mrs B an alternative option and she would only be able to make the payments in line with its general crypto currency payment limits.

Unhappy with this Mrs B complained to NatWest. She wasn't happy that the agreement had been rescinded and wasn't happy with the service provided by NatWest. NatWest upheld her complaint about the service it provided but said it wouldn't be reinstating the agreement. It paid Mrs B £500 for the distress and inconvenience caused to her.

Mrs B wasn't satisfied with the resolution, she said she planned on investing significantly in crypto currency and NatWest's decision and delay had meant she lost out financially on her potential investments.

NatWest considered things further and while it didn't change its position on matters it acknowledged again it managed the situation poorly but didn't agree there had been a breach of contract. In an attempt to resolve the issue NatWest offered Mrs B £2,500 in full and final settlement of her complaint.

Mrs B remained unhappy she didn't feel the £2,500 covered the damages and losses she had incurred because of NatWest's decision to rescind the agreement and the time taken to resolve things for her – so she referred the complaint to our service.

Our investigator looked into matters. She didn't feel NatWest needed to do more to resolve the complaint and said the offer of compensation of £500 and subsequent £2,500 offer of full and final settlement was a fair way to resolve the complaint.

Mrs B disagreed, she didn't think NatWest had acted fairly when rescinding their agreement and felt NatWest should have given her prior notice so she could make other arrangements with regard to the payments she says she wanted to make to her crypto currency accounts.

As the parties were unable to reach a resolution, Mrs B asked for her complaint to be passed to an ombudsman. So, it's been passed to me to make a final decision.

My Provisional Decision

I issued my provisional decision on 22 October 2025, intending to not uphold Mrs B's complaint, and in it I said:

Firstly, I want to acknowledge that I have summarised the main points of the complaint. I have not responded to every specific detail raised. This is not intended to cause any discourtesy. Our rules permit this approach, reflecting the informal nature of our service as a free alternative to the courts. If I haven't mentioned something, it's not because I've ignored it. I've carefully reviewed all of Mrs B and NatWest's submissions and am satisfied that I can reach a fair outcome without addressing every individual point.

I must explain to Mrs B that complaint handling by a business isn't a regulated activity and as such, the issues she's raised that relate directly to how NatWest have investigated her complaint, such as its investigation or its delays in responding to some of her communications do not come under my powers to consider.

Additionally, it is not within this service's remit to tell a business how to run its security procedures in order for the business to be satisfied it is meeting its regulatory requirements. It would be the role of the regulator – the Financial Conduct Authority, who have the power to instruct NatWest to make changes to its policies and procedures, if necessary.

Banks and building societies have an obligation to try and keep its customers' accounts safe and prevent them being victims of scams. Sometimes they identify and block legitimate payments due to security concerns. This can cause distress and inconvenience to a customer – but it doesn't necessarily mean it has acted incorrectly. What I need to decide is if NatWest acted fairly and reasonably in line with its terms and conditions when deciding to block the payment and rescind the waiver agreement.

I understand Mrs B feels it was unfair that her payment was blocked, especially since she had previously agreed to a waiver agreement with NatWest to allow her to make payments to her crypto currency account above the usual payment limits for these types of transactions.

NatWest say that due to a change in some of the regulations it decided to review these

waiver agreements and ultimately decided it no longer wanted to accept the risk that might come with these types of agreements following the changes in regulation. I don't think this was unreasonable and it's for NatWest to decide the risk it is willing to take.

I've considered the waiver agreement that was agreed between Mrs B and NatWest, and it says:

"You have confirmed to us that you are aware that:

...

(v) this letter, and your instruction to make the Payment and any Future Payment, remains subject at all times to our ability to delay or refuse to act on your instruction(s) in accordance with our regulatory obligations or where, for example, we are concerned about fraudulent activity, or believe it is necessary to protect us or you from crime."

I'm satisfied the agreement allows for NatWest to decide if it wishes to continue with the waiver especially for reasons connected to its regulatory obligations. NatWest has said this change was triggered by changes to the payment services regulations it needed to implement in October 2024, so I don't think it was unreasonable when it decided to rescind the agreement. The terms agreed allow it to do this in order for it to protect itself and Mrs B.

I acknowledge Mrs B feels she waived her rights under any regulatory changes for any protections that she may have been entitled to but ultimately this is a policy decision that NatWest has decided to make, and this isn't something in my remit to change. And I've mentioned above why I don't think this decision was unreasonable.

I do agree that it could have been clearer with Mrs B about the possible changes when it was communicating with her in September 2024 about extending the agreement. Whilst I appreciate it may not have finalised all its internal policies around the changes it could have indicated to her sooner that the agreement may be withdrawn at any time without notice.

NatWest has accepted the poor service provided to Mrs B when dealing with this issue and paid her £500 in compensation for the distress and inconvenience caused. In assessing the compensation, I have considered the distress caused by the lack of information it provided. Our compensation awards for non-financial loss are not calculated based on the time a customer spends addressing the issue or on an individual's hourly rate. Instead, they are based on what we consider fair and reasonable given the circumstances.

In this case, if Mrs B had been informed sooner, she may have been able to make other arrangements should she have wished to make larger payments to her crypto currency account. Mrs B only became aware of a potential issue when she tried to make a payment of £1250 on 11 October 2024 – she wasn't told the full reasoning behind the failed payment until she received a response on 23 October 2024 so some 12 days later. I'm sure this would have been a frustrating time for her especially as she felt she had a valid agreement in place with NatWest. However, I am satisfied that £500 is reasonable compensation for the distress and inconvenience caused.

I appreciate that Mrs B is looking for a significantly higher sum and feels that she has suffered significant losses due to NatWest's actions. But NatWest was clear in its email of 23 October 2024 that it had withdrawn the agreement and that it wouldn't be able to offer her an alternative solution to make payments to her crypto currency account outside of the general prescribed limits.

Mrs B would have known at that point if she wanted to invest significant sums into her crypto currency account, she would need to do this by alternative methods outside of NatWest. I haven't seen anything to suggest that Mrs B did try to do this. But it's likely if she did, she would have found a way of investing the funds that she wanted to.

I note Mrs B says she was corresponding with NatWest about her potential losses and was waiting for the outcome to her complaint, but NatWest had already told her in its email of 23 October 2024 that it would not be changing its position on allowing Mrs B to make larger payments to her crypto currency accounts than the general limits. So if she wanted to transfer the money in her savings account into her crypto currency account she could have done so outside of NatWest. In the circumstances I'm not persuaded she's lost out on any potential investment opportunity due to an error by NatWest.

Mrs B has raised concerns about NatWest's regulatory obligations to ensure she was provided information in a clear, fair and not misleading way, in a timely fashion and protected from foreseeable harm. I have considered these obligations together with the Consumer Duty rules, to which Mrs B also referred. It is for these reasons I've highlighted that NatWest could have done more sooner to inform Mrs B of the withdrawal of the agreement. NatWest has paid her £500 which, as mentioned, I think was reasonable in the circumstances.

I acknowledge NatWest has also offered Mrs B a gesture of goodwill payment of £2,500 which I understand it is still willing to pay Mrs B. Mrs B says this wasn't sufficient to cover her losses which she believes were caused by NatWest. But I don't currently agree with this position, I say this because as mentioned Mrs B would have known from 23 October 2024 that NatWest wouldn't be willing to make payments beyond its general limits for crypto currency payments so if she wanted to pay higher amounts into her crypto currency accounts she would have needed to find alternative arrangements – if she decided not to do this that was her choice to make. However, if Mrs B now wishes to accept the £2,500, she can contact NatWest directly for the payment.

Responses to my provisional decision

NatWest didn't respond to the provisional decision.

Mrs B responded to make the following main points:

- NatWest had a regulatory obligation to notify customers of the new reimbursement requirements, and the communication had to be sent no later than 7 October 2024. Mrs B says if she had been notified, she would have made the crypto currency purchase.
- NatWest should have treated her fairly by providing her 2 days notice so she could have acted to avoid a loss – the policy wasn't changed overnight so notice should have been provided
- Mrs B doesn't believe the regulatory rules around authorised push payments (APP) applied to her as she had contracted out of them thus relieving NatWest of any risk
- Mrs B didn't think she would have been able to purchase £198,000 of crypto currency elsewhere
- Mrs B didn't think the complete withdrawal of the high value facility without any transition period was fair or reasonable.

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.

And having done so, I've decided not to uphold this complaint.

I'd firstly like to thank Mrs B for taking the time to respond to my provisional decision and I'd like to reassure her that I've taken into account everything she's said when coming to my final decision on this complaint.

I've considered NatWest's requirements to notify customers of the new APP reimbursement rules. This requirement was to notify its customers of these new rules – I'm satisfied it did this as I have seen the update and information on its website dated prior to 7 October 2024 about the implementation of the new rules.

I've thought further about whether NatWest was required to let Mrs B know about the changes to its stance on the waiver agreements – but I don't agree it was required to give prior notice. It's for NatWest to make its own commercial judgements and if it decides it no longer wishes to offer a service it can do so provided its terms allow it to.

In the waiver agreement the terms allow NatWest to refuse payments - it says it can *refuse to act on your instruction(s) in accordance with our regulatory obligations or where, for example, we are concerned about fraudulent activity, or believe it is necessary to protect us or you from crime.*

So while I appreciate Mrs B feels she had relieved NatWest of any risk, it is also for NatWest to decide if it wants to do more to protect itself. I think that's likely the case here, I say this because it seems the removal of the waiver agreement was made alongside the implementation of the new rules. So I don't think it was unfair or unreasonable of NatWest to decide to withdraw this facility for Mrs B without a transition period.

What I expect NatWest to have done was let Mrs B know it had decided to remove the waiver agreement rather than Mrs B finding out when she tried to make the payment. But I want to be clear here I'm not saying NatWest needed to give her advanced notice of the change in position, so she could make payments before NatWest decided to cancel the waiver agreement. Just that it should have told her it had decided to rescind the waiver agreement rather than Mrs B finding out in the way that she did. However, I am satisfied £500 is reasonable compensation for the distress and inconvenience caused here.

Mrs B says she planned to move a significant sum of money into purchasing crypto currency. But having reviewed the immediate communication between Mrs B and NatWest, following the removal of the waiver in October 2024 – I can't see Mrs B mentioned to NatWest she planned to transfer £198,000 into a crypto currency investment.

Also, nothing in her previous transactions into her crypto accounts are at the level she says she was now intending to make. And while I have seen some large transactions made by Mrs B nothing was to this level she has suggested here. So, I can't safely conclude that she would have decided to move this level of investment into her crypto currency accounts at the time.

I understand Mrs B says she doesn't think she would be able to move this large sum into her crypto currency accounts elsewhere but I've already said why it wasn't unreasonable of NatWest to have decided to rescind the agreement and I also don't think it needed to give her prior notice that it planned to end the agreement – so if Mrs B had wanted to transfer that

significant sum it was for her to find a way of doing so.

Overall while NatWest could have done more to update Mrs B of the changes, it has paid her £500 in compensation which I think is reasonable in the circumstances. So I don't require NatWest to do anymore than it has done.

As mentioned in my provisional decision, NatWest has offered Mrs B a gesture of goodwill payment of £2,500 which I understand it is still willing to pay, if Mrs B wishes to accept the £2,500, she can contact NatWest directly to arrange the payment.

My final decision

For the reasons mentioned above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 12 December 2025.

Jag Dhuphar
Ombudsman