

The complaint

Mr U complains National Westminster Bank Public Limited Company (NatWest) hasn't refunded money he lost as the result of a scam or raised chargeback requests to recover his lost funds.

What happened

Both parties are familiar with the circumstances of the complaint, so I'll only summarise the details here.

Mr U said he paid £40,000 towards what he believed was a lucrative investment opportunity which he now believes was a scam. Mr U said he received £24,450 in returns and believes he's been scammed following an online video of the investment company's CEO purportedly admitting it was a Ponzi scheme.

The payments were made by card and Mr U is unhappy that NatWest didn't raise chargebacks as it said the claim was made outside of the 120 days to do so. Mr U says the returns were due after six months and he raised the matter within 120 days of the service being due. NatWest told him it would need to see written confirmation guaranteeing a return on his investment within six months, which Mr U confirmed he doesn't have. It said without the written confirmation, it could only consider the claim if it was made within 120 days of the payments being made. Mr U also said he had 540 days to raise a chargeback if the payments were the result of fraud.

He complained to NatWest and his complaint wasn't upheld. Unhappy with this he referred the matter to the Financial Ombudsman Service. One of our Investigators looked into the complaint and didn't uphold it.

As an agreement could not be reached, 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.

I'm sorry to hear of what's happened to Mr U and the impact this has had on him, and I understand why he feels the money should be refunded. However, I don't find that NatWest has acted unfairly in declining his claim and deciding not to refund the money or raise chargeback claims for the same reasons as our Investigator. I won't repeat everything covered previously but will focus on what I consider to be the outstanding points.

I would like to say at the outset that I've considered this case on its own merits and have summarised it in far less detail than the parties involved. I want to stress that no courtesy is intended by this. It's simply because my findings focus on what I consider to be the central issues in this complaint – that being whether Mr U was the victim of a scam and if NatWest is responsible for the loss he claims to have suffered.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – 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. NatWest is expected to process authorised payment instructions without undue delay. But they also have long-standing responsibilities to help protect customers from financial harm from fraud and scams. Those responsibilities are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether NatWest is responsible for the loss Mr U claims to have suffered if, indeed, he has been scammed. I've therefore considered whether Mr U was a victim of a scam.

Certain high-risk investment traders may have promoted these products using sales methods that were arguably unethical and/or misleading. However, whilst customers who lost out may understandably regard such acts or omissions as fraudulent, they do not necessarily meet the high legal threshold or burden of proof for fraud, i.e. dishonestly making a false representation and/or failing to disclose information with the intention of making a gain for himself, or of causing loss to another or exposing another to the risk of loss (Fraud Act 2006).

In simpler terms, some merchants may have used sales and promotional methods that could be seen to be unfair by consumers considering the losses they've incurred – but this does not always amount to fraud.

Whether someone has been scammed or the matter is a civil dispute can be finely balanced. In this instance Mr U knowingly made the payments, so they are authorised push payments (APP). But for me to be satisfied someone has been the victim of an APP scam, I need evidence to show the customer has been dishonestly deceived about the purpose of the payments at the time they were made.

- Mr U has provided a publicly available video in which the CEO appears to admit this was a Ponzi scheme and believes this, along with other evidence provided from ex-staff and other sources, is proof he has been the victim of a scam. The CEO later said he made the admission under threat and given the video was filmed by ex-staff, who stood to be cleared of any wrongdoing by such an admission, the video must be viewed with caution. As does other on-line material regarding the matter. I'm not persuaded the opportunity was a Ponzi scheme based on the evidence that has been provided.
- After the debit card payments were made, the only potential avenue for recovery of the payments would have been through the chargeback scheme. The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders. Revolut is bound by the card scheme provider's chargeback rules. Whilst there is no 'right' to a chargeback, I consider it to be good practice that a chargeback be raised if there is a reasonable chance of it succeeding. But a chargeback can only be made within the scheme rules, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid, and potentially succeed. Time limits also apply. I've seen that a chargeback couldn't be raised as the matter was raised outside of the time allowed to do so, and Mr U didn't have written confirmation guaranteeing a return on his investment after six months. And while I don't find there was a scam, to answer Mr U's point of raising a chargeback if the payments are the result of fraud, unfortunately, the chargeback rules don't cover scams.

- Mr U said NatWest told him it didn't consider a refund under its scam process due to the payments being made via his accounts with payment service providers. Mr U says he made the payments via one of the payment service providers using a link and he doesn't have an account. I've considered this and the Contingent Reimbursement Model (CRM) and find it doesn't apply here as it's only relevant where there has been a scam. Additionally, the code doesn't cover card payments, so on that basis, the code also isn't relevant. Whether Mr U had an account with the payment service providers or not doesn't change that the CRM code isn't relevant here for the reasons I've explained.

Based on the evidence I've seen, I'm not persuaded that Mr U has been the victim of a scam because I've not seen enough to show he was dishonestly deceived about the purpose of the payments at the time they were made.

NatWest should protect their customers from fraud and scams – by looking out for unusual or suspicious payments and carrying out additional checks before processing them. But, as I've explained, these obligations are predicated on there having been a fraud or scam. And given I've concluded that these payments weren't made as part of a scam, these obligations don't apply here.

If new evidence were to come to light showing the investment to be a scam, Mr U could present this to NatWest for it to consider as a new complaint.

I'm sorry to disappoint Mr U further but it would only be fair for me to ask NatWest to refund the payments if I thought they had been lost as the result of a scam and that NatWest was responsible for it. As I'm not persuaded that this was the case, I don't think NatWest needs to do anything further.

My final decision

My final decision is that I do not uphold this complaint against National Westminster Bank Public Limited Company.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 23 December 2025.

Charlotte Mulvihill
Ombudsman