

## **The complaint**

Mr G complains Santander UK PLC (“Santander”) refuses to refund him for a transaction he made while being blackmailed.

## **What happened**

The facts of this case are well known to both parties, so I won’t repeat them in detail here.

In short, Mr G says Santander should’ve refunded him for a payment he made after being contacted by an unknown 3<sup>rd</sup> party threatening to release indecent photos of him to his friends and family. Mr G says he transferred £500 on 5 June 2025 through Western Union as instructed by the person who was threatening him. But he says Santander should’ve done something to protect him from this loss.

Santander considered Mr G’s complaint and decided not to refund the money. It said that Mr G made the transaction himself and there was nothing about this payment that looked suspicious enough to cause concern. However, it says it did block the other two payments Mr G tried to make later the same evening as the frequency of these payments in a short space of time did flag as suspicious. So, Santander says it did protect Mr G from further harm, and it doesn’t think it should refund him the £500.

Our investigator also considered this complaint and decided not to uphold it. He felt that based on evidence he’d seen the transaction was authorised by Mr G and it wouldn’t be reasonable to have expected Santander to have flagged this payment as suspicious. Mr G wasn’t happy with this outcome, so 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.

It is not in dispute that Mr G authorised the payment transaction in this matter. And as per section 83 of the Consumer Credit Act 1974 and the Payment Services Regulations relevant here being blackmailed or under duress doesn’t mean the transaction was unauthorised. While I understand this likely feels unfair to Mr G, these are the rules which apply here.

Generally, consumers are liable for payment transactions they have authorised. However, that is not the end of the story. This is because even if a payment is authorised, there are regulatory requirements and good industry practice which suggest firms/banks – such as Santander – should be on the look-out for unusual and out of character transactions to protect their customers from financial harm. And, if such payment transactions do arise, firms should intervene before processing them. That said, firms need to strike a balance between intervening in a customer’s payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer’s legitimate transactions.

The payment Mr G is claiming for is one off £500 payment made with his card to a well-known money transfer service. Having looked through Mr G’s Santander account statements

for the six months prior to this payment, I can't say that this payment is significant enough in value or unusual enough to be flagged by Santander's fraud team. And usually, payments or transfers for over £3000 are considered larger payments and depending on the circumstances, might be expected to flag. Also, consecutive payments made within a short space of time, depending on the circumstances, might also be expected to flag. I've seen that Santander did flag the following two payments which were attempted in quick succession, so I agree it did take appropriate steps to protect Mr G. However, as outlined above, it is Santander's duty to process a customer's transactions as instructed and without undue delay or inconveniences and based on what I've seen I don't I can say Santander ought to have blocked the disputed payment or intervened before processing it.

As outlined by the investigator, there are no valid grounds for a chargeback here as Mr G received the goods and service paid for as soon as he sent the funds to the money transfer service, and the transaction was made by him – so wasn't fraudulent.

I know this outcome will come as a disappointment to Mr G and I can understand the circumstances surrounding Mr G's loss is upsetting. However, Mr G made the payment in dispute, and I don't think it's fair to hold Santander liable for this loss as I don't think it could've been expected to do anything more.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 6 March 2026.

Sienna Mahboobani  
**Ombudsman**