

The complaint

Mr I complains that Santander UK Plc won't refund the money he lost as a result of a scam.

The complaint is brought on Mr I's behalf by a professional representative.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In summary, Mr I saw an advertisement on social media promoting a cryptocurrency investment with a company I will refer to as "S". He reached out to S and was contacted by a broker (who I will refer to as "the scammer"). The scammer, through remote access software, helped Mr I set up an account with a legitimate cryptocurrency provider, "C". He was also given access to S's platform and was told he needed to make an initial deposit to help open his account. The scammer also helped Mr I take out a loan for £15,000 to help fund the investment.

Mr I has told us he transferred one payment of £15,000 to C, which was then transferred into the control of the scammer. He has explained that he could see his funds growing and that the scammer had explained his investment would generate profits exceeding £50,000. Mr I realised he had been scammed when he attempted to withdraw his funds and wasn't able to.

Mr I raised a complaint with Santander. It investigated the complaint but didn't uphold it. It didn't think it had done anything wrong by allowing the payment to go through. It also thought the point of loss was not from Mr I's account with Santander as he moved the money into his own account and then onto the scammer. So, Mr I brought his complaint to our service.

Our Investigator looked into the complaint and upheld it in part. She explained that Santander had identified a scam risk with the payment and discussed it with Mr I, but she didn't think that Santander had probed Mr I sufficiently during the call, and that if it had done this the scam would have been uncovered. Our Investigator however thought that Mr I ought to take some responsibility for his loss too. The Investigator thought that a fair deduction to the amount reimbursed would be 50%.

Mr I accepted the outcome, but Santander remained unhappy. In summary it said that it provided Mr I with warnings before discussing the payment with him. It explained that Mr I confirmed that he was transferring his funds to his own account with C which was a safe and trusted account. It also explained that it didn't think it was liable for any losses and that Mr I may be due a refund from C.

As no agreement could be reached, the case was passed to me for a decision.

I issued my provisional decision on 12 November 2025. This is what I said.

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'm not upholding Mr I's complaint. I'll explain why.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No courtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I have not mentioned, it isn't because I have ignored it. I haven't. I'm satisfied that I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

In broad terms, the starting position in law is that a bank is expected to process payments and withdrawals that a customer authorises it to make. It isn't disputed that Mr I authorised the payments from his Santander account. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Santander is expected to process Mr I's payments, and he is presumed liable for the loss in the first instance.

But in some circumstances, it might be appropriate for Santander to take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transactions were unusual, or looked out of character or suspicious. And if so, it should have intervened, for example, by contacting the customer directly, before releasing the payments. This is to help protect customers from the possibility of financial harm from fraud. But I'd expect any intervention to be proportionate to the circumstances of the payment.

Santander intervened on the payment and asked questions to work out if Mr I was falling victim to a scam. Mr I was shown a number of warnings and also called by Santander to discuss the payment. I have listened to both calls that took place. Santander asked Mr I for the receiving bank details. It ought to have known at the time that the details provided by Mr I were for a well-known cryptocurrency provider which C was offering a service to, meaning any payments to that account were in relation to cryptocurrency. So, taking that into account I think Santander ought to have focused its warnings on the risks associated with cryptocurrency payments before the payment went ahead.

Mr I believes that better intervention from Santander would have prevented his losses. Where something didn't happen that should have, I'm required to make a decision based on the balance of probabilities; that is, what I find is more likely than not to have happened if things had gone as they should. I've carefully considered all of the available evidence. But having done so, I'm not persuaded that a cryptocurrency warning, which went into more detail, would have made a difference to Mr I's decision to go ahead with the payment.

As explained, Mr I was shown a number of warnings on the payment. As part of his responses he told Santander he hadn't been told to lie to them and that the payment was for banking and savings, rather than cryptocurrency, which was more appropriate to his circumstances. So, it's clear Mr I provided misleading information when answering these questions.

Santander then spoke to Mr I. It highlighted to Mr I that scammers will often tell you to lie to a bank and that if this happens then it will be a scam. It asked if he is the only one with access to the account and he confirmed he is the only one with access to it. It asked if anyone was sharing the account information with him. He advised that wasn't the case. Mr I asked Santander about cryptocurrency. Santander highlighted its concerns with cryptocurrency investments, including that they are unregulated, that a customer needs to ensure they carry out sufficient research before investing and that it has seen people fall victim to these types of scams. Mr I acknowledged this. It could be argued that the call could have gone into more

detail around cryptocurrency scams, but in the circumstances, there were several aspects of the warnings Santander provided which ought to have resonated with Mr I given his situation – thereby prompting him to question the legitimacy of what he was being asked to do.

Based on Mr I's responses above it's clear that he gave inaccurate information in order to get the payment processed. He's since confirmed that he was dealing with a broker who was advising him about cryptocurrency investments. He has also confirmed the broker was using remote access software to help set up the account for him. And that all the funds were used for an investment which was transferred into the control of S and not for the purposes of buying a motorbike and appliances as he had originally explained in the call.

It's also clear from the scam chat that Mr I had been coached on how to respond to Santander's questioning, so in the circumstances I don't think further probing from Santander would have revealed the scam. In the scam chat Mr I highlighted he was being asked lot of questions by Santander, especially around cryptocurrency. The scammer then mentioned the following comments, "Yes I know, that's what I told you. All good as long as you trust me sir!". The scammer also explained, "I told you about banks. They don't want to lose customers because it's not good for their economy, it's called fractional reserve banking so just confirm the transfer and don't worry about what they say, keep it as I told you". Mr I agreed to this.

I think it's clear that Mr I was willing to take direction from the scammer when making the payment, and I can't ignore the fact that he was knowingly giving false information, despite some of the warnings being applicable to his circumstances. And although there was an FCA warning on S, Mr I confirmed that he carried out research on S before investing and that he believed he was dealing with a professional company. He hadn't revealed he was dealing with a broker, despite Santander discussing this with him and questioning whether anyone had told him to lie, so on balance if Santander had questioned him on the checks he had done, I don't think he would have shared information with Santander to suggest he hadn't carried out research on S.

It's likely that the returns Mr I had been promised and the early success of his initial trade meant he was under the scammers spell and that he believed what he had been told about the profits he was likely to make. He took out a loan believing the scammers lies on being able to pay it back quickly. So, based on Mr I's responses to Santander and the level of control the scammer seemed to have, as evidenced from the scam chat, on balance, I don't think Mr I would have revealed much around the circumstances of the payment if Santander had probed further. On balance, I believe that Mr I would have continued providing information in line with the advice provided by the scammer or in a way which allowed the payments to go through.

In those circumstances I don't think it would be fair to ask Santander to do anything further.

I have considered whether Santander could have done anything to recover Mr I's payment once the scam was uncovered. However, they were converted into cryptocurrency and paid to the scammer. Therefore, I don't think there was any realistic possibility of recovery.

I realise this means Mr I is out of pocket, and I'm really sorry he's lost money. However, for the reasons I've explained, I don't think I can reasonably tell Santander to reimburse him.

Responses to my provisional decision

I asked Mr I and Santander to reply with anything else they wished to add before I issued my final decision.

Santander confirmed that it had nothing further to add.

Mr I's professional representative replied to say they disagreed. I have summarised the points they made below.

- Mr I should have been asked probing questions and Santander should have applied reasonable scrutiny to his responses.
- Mr I thought a proportionate intervention would have prevented his losses.
- He didn't think coaching and guidance provided by the scammer was detailed.
- Mr I asked about cryptocurrency during the calls which suggested he trusted Santander's guidance and that he wasn't necessarily concealing his interest in cryptocurrency.
- Mr I didn't trust the scammer so if Santander had provided specific scam warnings about cryptocurrency it would have resonated with him.

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'm not departing from the outcome I reached in my provisional decision.

Mr I does not believe Santander asked sufficient probing questions and did not apply a reasonable degree of scrutiny to his responses. Santander queried what the payments related to. When Mr I explained the payments were for 'personal purposes' Santander explained why it needed to know this information confirming that it wasn't happy with his original response. Santander also reminded him why he needed to be honest in his responses and that it was trying to protect him from losing his funds to fraud. Mr I then provided further details on the payments. Santander explained how third parties tell customers to invest into things such as cryptocurrency and other unregulated investments and that it had seen a lot of cases of fraud where customers had received large sums of money, like Mr I had done. It queried what Mr I would be doing with the funds and Mr I reiterated he would never deal with cryptocurrencies. It's important to note that we expect any intervention on payments to be proportionate to the circumstances of the payment. Given what Santander knew about the payments I don't think it acted unreasonably based on the responses it received. Having listened to the calls I am satisfied it queried Mr I's payments and asked probing questions when it wasn't happy with the answers he provided.

Mr I didn't think the coaching and guidance provided by the scammer was detailed. It's clear from the scam chat that Mr I and the scammer had discussed why banks do not like cryptocurrency payments. It's likely that this was discussed with Mr I by phone as the scammer states in the chat, "I told you about that" and "keep it as I told you", suggesting a conversation around this had happened before the payment was sent. It's also clear from the chat that when Mr I is questioned about the payment that he reached out to the scammer for reassurance on what to do next. So on balance if Mr I had been questioned further its likely he would have done the same. I also wouldn't expect a firm to interrogate a customer when assessing whether they had been coached. And having listened to the calls with Santander, I don't think there was anything within those calls which would have put it on notice that he might be falling victim to a scam.

And as explained in my decision I can't ignore the fact that Mr I gave misleading information, despite some of the warnings being applicable to his circumstances. I understand that Mr I asked Santander about cryptocurrency, but I don't think this showed that he trusted Santander's guidance or that he wasn't attempting to conceal his interest in cryptocurrency.

This is because at the time Mr I knew he was investing in cryptocurrency. It's likely that he was provided with sufficient information on cryptocurrency by the scammer as he took out a loan to fund the investment, because he believed in the information the scammer had provided him. So, on balance I can't say that he didn't trust the scammer. I think it's more likely than not that he trusted the information on the profits the scammer had promised him which is why he chose to provide inaccurate responses across the two calls with Santander. And as explained in my provisional decision Santander provided sufficient detail around the risks around cryptocurrency scams which should have resonated with him at the time and should have led him to question the legitimacy of what he was being asked to do.

So, for the reasons I have explained in my provisional decision I don't think it would be fair to ask Santander to do anything further.

My final decision

My final decision is that I'm not upholding the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 26 December 2025.

Aleya Khanom
Ombudsman