

## **The complaint**

Mr and Mrs G complain about Nationwide Building Society.

They say that they have been the victims of a scam and would like Nationwide to refund them the £10,000 they have lost.

## **What happened**

In 2021, Mr and Mrs G made two payments totalling £10,000 to an investment company 'I'. The investment was to be made into a new digital bank 'A'.

Mr and Mrs G say that they have been scammed by I and A – and that they have lost their money. They have asked Nationwide to refund them under the Contingent Reimbursement Model Code (CRM Code).

Nationwide declined to refund them – they said that there was not enough evidence to suggest that Mr and Mrs G had been the victims of a scam, but that Mr and Mrs G have unfortunately lost money in a failed investment – and that this is a civil dispute.

Mr and Mrs G, with the help of a representative, brought their complaint to this Service where it was considered by one of our Investigators.

Our Investigator explained that there wasn't enough information to suggest that Mr and Mrs G had been scammed – so they didn't uphold the complaint.

Mr and Mrs G asked for an Ombudsman to make a final decision, so the complaint has been passed to me.

## **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 have decided not to uphold this complaint. I know this will be disappointing for Mr and Mrs G, and I am very sorry for the situation they find themselves in. I can fully understand that they would want to attempt to recover the money that has been lost

However, my role is to decide if Nationwide needs to refund them the money they have lost, and I'm afraid that I can't say that it does.

It isn't in dispute that the payments made to 'I' for investment in 'A' were authorised. Because of this, the starting position – in line with the Payment Services Regulations (PSR's) 2017 – is that Mr and Mrs G are liable for the transactions. But they also say that they have been the victim of an authorised push payment (APP) scam.

Nationwide has signed up to the voluntary CRM Code, which provides additional protection to scam victims. Under the CRM Code, the starting principle is that a firm should reimburse a

customer who is the victim of an APP scam (except in limited circumstances). But the CRM Code only applies if the definition of an APP scam, as set out in it, is met.

I have set out the definition of an APP scam as set out in the code below;

*... a transfer of funds executed across Faster Payments...where:*

- (i) The Customer intended to transfer funds to another person, but was instead deceived into transferring the funds to a different person; or*
- (ii) The Customer transferred funds to another person for what they believed were legitimate purposes, but which were in fact fraudulent.*

The CRM Code is also explicit that it doesn't apply to private civil disputes. The wording in the code is as follows:

*"This Code does not apply to:*

- b) private civil disputes, such as where a Customer has paid a legitimate supplier for goods, services, or digital content but has not received them, they are defective in some way, or the Customer is otherwise dissatisfied with the supplier."*

I've considered whether the payments made to I to invest in A fall under the scope of an APP scam as set out above – and having done so I am not persuaded that they do.

While I understand that Mr and Mrs G did not receive any returns on their investment, or access to 'A's banking facilities, I am not able to say that this was due to a scam. 'I' was incorporated in 2019 and dissolved in 2024 – while 'A' was incorporated in 2019, and although now renamed, is still active at this time. Mr and Mrs G's representatives say that A is now widely known as a scam, but it hasn't provided anything to support what it has said.

It is obviously unfortunate that Mr and Mrs G's investment has not worked out as planned, and that they have lost their money – but I haven't seen anything enough to suggest that they may have been scammed out of their money. Of course, this is not the outcome Mr and Mrs G had hoped for, and I can see why they feel that they have been duped – but investments do fail or provide disappointing returns. And I am unable to direct Nationwide to refund them their loss.

It may be that in the future further information may come to light which suggests that Mr and Mrs G were scammed after all – at such time Mr and Mrs G could ask Nationwide to look at their complaint again., and if they are not happy with the answer, return to this Service.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 18 February 2026.

Claire Pugh  
**Ombudsman**