

The complaint

Mrs C complains that Lloyds Bank PLC (Lloyds) is refusing to refund her the amount she says she lost as the result of a scam.

Mrs C is being represented by a third party. To keep things simple, I will refer to Mrs C throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mrs C has told us that she was introduced to an investment opportunity with a company I will call "X" by someone who attended the same church as her. Mrs C says that after carrying out her own research she decided to invest with X.

Mrs C was investing in cryptocurrency via X's platform and communicated with X via the platform and a well-known messaging application.

Mrs C was also told to expect returns of over 100% on her investment and realised she had been scammed when X's website was no longer accessible, and the scammers seemed to have disappeared.

Mrs C has disputed the following payments:

Payment	Date	Payee	Payment Method	Amount
1	17 May 2021	Luno	Transfer	£3,500
2	20 May 2021	Luno	Transfer	£1,000
3	23 May 2021	Luno	Transfer	£4,900
4	25 May 2021	Luno	Transfer	£10,000
5	31 May 2021	Luno	Transfer	£1,000
6	3 June 2021	Luno	Transfer	£1,000

Our Investigator considered Mrs C's complaint and didn't think it should be upheld. Mrs C didn't agree, so this complaint has been passed to me to decide.

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.

Before I can consider Mrs C's complaint as a scam I must be persuaded that a scam has taken place and that the payments Mrs C has disputed have resulted in a loss because of such a scam. It is Miss C's responsibility to provide appropriate evidence to support her version of events and the losses she says she has incurred.

Our Investigator has asked on multiple occasions for Mrs C to provide evidence that

supports that the payments she has disputed have resulted in a loss because she has fallen victim to the scam she has complained about.

Unfortunately, while it's clear Mrs C has provided some information, she has not been able to provide sufficient evidence of the amount that was lost because of the scam. So, I can't ask Lloyds to provide Mrs C with a refund.

But even if I was able to consider Mrs C's complaint as a scam I still would not have been able to uphold it. I will explain why.

Recovering the payments Mrs C made

The payments Mrs C has disputed were made by transfer. When payments are made by transfer Lloyds has limited options available to it to seek recovery.

It appears the payments Mrs C has disputed went to a legitimate cryptocurrency exchange where the funds were converted into cryptocurrency before being forwarded on. As it took further steps for the cryptocurrency to be forwarded on to what Mrs C has told us was a scam any attempt to recover the payments would have had no prospects of success.

Should Lloyds have reasonably prevented the payments Mrs C made?

I think it's most likely that Mrs C authorised the payments that were made from her account with Lloyds. So, the starting point here is that Mrs C is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

If I were able to consider Mrs C's loss the question here would have been whether Lloyds should have been aware of a scam and intervened when she made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

I can see that Lloyds did intervene when Mrs C attempted some of the payments and calls between Mrs C and Lloyds took place. Lloyds has provided recordings of these calls to us.

On 17 May 2021 when Mrs C attempted payment 1 a call between Mrs C and Lloyds took place.

During this call Mrs C confirmed that the account she was making payments to, was her own cryptocurrency account that had been created the same day.

Mrs C was warned that scams often happen when another person is involved if contacted by a supposed crypto broker helping to invest.

Mrs C confirmed that there was no broker, she does it herself, no one has remote access, and no one has her login information to access her cryptocurrency account.

Before the payment was released Mrs C was warned it was unlikely Lloyds would be able to recover the payment, and she confirmed she was sure it was a genuine payment made under her own instruction and not because someone had convinced her to pay it.

On 23 May 2021 when Mrs C attempted payment 3 a call between Mrs C and Lloyds took place.

During this call Mrs C confirmed that the funds used to make the payment were received

from her sister as they were investing together.

Mrs C also confirmed no one had asked her to do it and she had seen a cryptocurrency exchange being advertised. She had her own wallet and passcode.

Lloyds warned Mrs C that there was a good chance she would lose her money if someone had asked her to make the payment. Mrs C explained that she knew there were a lot of scammers around that would want to control her computer etc. But she was doing it herself.

On 25 May 2021 when Mrs C attempted payment 4 a call between Mrs C and Lloyds took place.

During this call Mrs C was warned that Lloyds were seeing a lot of scams and wanted to make sure she wasn't being scammed before putting the payment through.

Mrs C confirmed she was sending the payment to her own cryptocurrency account that she had less than a month. She had opened the account herself having decided herself to open the account and had not been guided by a third party. Mrs C explained she had seen an advert for the account on the internet having searched the internet for an account of that type online, she had also check trusted review sites.

Lloyds explained that scammers will ask you to download screensharing software to give support or guide you through opening an account.

Mrs C confirmed nothing like that had happened to her, but it had to a friend, so she was aware of that, and she hadn't given access to anyone.

Having listened to the recordings of the above calls it's clear Mrs C was willing to give false information compared to what she told us happened.

Mrs C told us X was involved, she had downloaded screensharing software, she was being guided, she opened her cryptocurrency account on advice of X, and X had access to her accounts via the screensharing software.

I think that Lloyds provided interventions proportionate to the risks associated with the payments Mrs C was making. As Mrs C provided false information Lloyds was unable to uncover the scam.

Had Mrs C been honest when answering Lloyds questions, I think it's most likely it would have found that Mrs C was being guided to make the payments and using screensharing software which are common aspects of scams it was aware of at the time. Lloyds would then likely have uncovered the scam and prevented Mrs C's loss.

As Mrs C gave incorrect information, even if I was able to consider her loss, I would not be able to hold Lloyds responsible for it or ask it to provide her with a refund.

So, in summary, I don't think I have enough to consider Mrs C's loss, but even if I did, based on the information available, I would not be able to hold Lloyds responsible for it or ask Lloyds to provide her with a refund.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or

reject my decision before 19 February 2026.

Terry Woodham
Ombudsman