

## The complaint

Miss C complains that Santander UK Bank Plc won't refund her the money she lost in an investment scam.

Miss C is being represented by a professional representative, but for ease of reading, I'll just refer to Miss C.

## What happened

The circumstances surrounding this complaint are well known to both parties, so I have simply summarised what I consider to be the key points.

Miss C says she saw an advertisement on a popular social media website in January 2021. The advertisement was for an investment that seemed to be endorsed by celebrities and offered good returns, although she cannot now recall exactly what these were. Miss C says she saw some good reviews for the investment company, and she decided to invest. She was told to download remote access software and was taken through the process of investing, including being guided on setting up a cryptocurrency account.

Miss C then made a series of payments from Santander to her cryptocurrency account and from there on to the investment company. She saw that her investment was growing in value and was encouraged to invest more.

Miss C was able to make two withdrawals from her cryptocurrency account, on 30 January 2021 and 1 February 2021, for £1 and £4,923.88 respectively. However, later on, when she decided she wanted to withdraw more of her money from the investment company, she was told she needed to pay fees in order to do so. It was at this point that she realised she had been the victim of a scam and she contacted Santander to report it on 12 February 2021.

Miss C says the following payments were made as part of the scam:

Date	Amount	Payment type	Destination
26/01/2021	£185	Faster payment	Company T
30/01/2021	£2	Faster payment	Own cryptocurrency account
30/01/2021	£5,105	Faster payment	Own cryptocurrency account
01/02/2021	£5,000	Faster payment	Own cryptocurrency account
04/02/2021	£5,000	Faster payment	Own cryptocurrency account
11/02/2021	£4,500	Faster payment	Own cryptocurrency account
11/02/2021	£4,500	Faster payment	Own cryptocurrency account
11/02/2021	£9,500	Faster payment	Own cryptocurrency account
12/02/2021	£200	Faster payment	Own cryptocurrency account
12/02/2021	£1,000	Faster payment	Own cryptocurrency account
12/02/2021	£2,000	Faster payment	Own cryptocurrency account

Miss C reported the scam to Santander on 12 February 2021, and Santander contacted Miss C's cryptocurrency exchanges to request the return of her money.

Miss C complained to Santander around four years later, in February 2025. She says Santander ought to have intervened more effectively than it did. She thought the payments were out of character with other payments from her account and they were suspicious because they were large payments, made in quick succession, to cryptocurrency accounts. Miss C says that had Santander intervened by asking a series of probing questions, the scam would have been uncovered and her losses could have been prevented.

Santander didn't uphold Miss C's complaint. It says some of the payments did flag as suspicious and it intervened on those transactions, asking questions and providing warnings to Miss C. It says it didn't make any errors and Miss C's money wasn't lost from her Santander account, but from her own cryptocurrency accounts, from which she sent her money directly on to the scammer. It added that if Miss C had researched the investment company, she would have seen there was a fraud warning about the investment company on the FCA website at the time she made the payments.

Our Investigator didn't uphold Miss C's complaint. She said Santander intervened proportionately, asked some relevant questions and provided some relevant warnings. Miss C wasn't accurate with some of the information she told Santander in response to its questions, so it was unlikely that further intervention and questions would have been successful in uncovering the scam. She thought Santander had taken appropriate steps to try to recover Miss C's money. But since Miss C sent her money to accounts she controlled, at legitimate cryptocurrency exchanges, and it was promptly sent on from there to the scammers, there was no money left in her cryptocurrency accounts for Santander to recover.

Miss C didn't accept the investigator's conclusions. She says it's unfair to suggest she misled Santander with her responses to its questions. She says she probably thought Santander's interventions were a tick box exercise and she picked the first relevant option when she was answering its questions. Santander should have appreciated these transactions represented a heightened risk because they were to cryptocurrency exchanges. She noted that call recordings of the interventions are no longer available, which makes it difficult to determine what was said, but Santander should have asked probing questions and discovered there was a broker acting on her behalf. It also should have identified the transactions were being made as part of a cryptocurrency investment and her answers to Santander's questions should be viewed in the context of the manipulation and pressure she was put under. She said she had been told by the scammer not to mention that she was investing in cryptocurrency because banks didn't like cryptocurrency.

I issued a provisional decision on 7 January 2026, in which I said:

*"I'm persuaded that Miss C has been the victim of a cruel and distressing scam. While some of the evidence is quite limited, given the length of time since the scam took place, Miss C has provided evidence showing she converted her money into cryptocurrency and sent it on from her cryptocurrency accounts. She has also provided copies of some of the messages between her and the scammer, the content of which is indicative of a scam, such as excuses for delays in releasing money and suggestions that more money would need to be invested before she could release her original investment. And she has provided copies of an agreement with the scam company, amongst other things. But while Miss C appears to have been the victim of a scam, that doesn't necessarily mean Santander must refund her money.*

*In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case, it's accepted by all parties that Miss C authorised the payments and Santander made the payments in accordance with Miss C's instructions.*

*The Contingent Reimbursement Model (CRM) Code doesn't apply to the majority of the transactions, because Miss C was making payments to another account that she controlled. Payments between two accounts controlled by the same customer are not covered by the Code.*

*But the matter doesn't end there. Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, I think Santander ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.*

*In Miss C's case, I wouldn't have expected Santander to have intervened in the first payment, as it was a small amount and wouldn't reasonably have caused Santander any concern. Santander did intervene in the next three payments, which I consider was appropriate, given the size of those payments and the fact that they were identifiably being made to cryptocurrency platforms. Santander also intervened in payment seven, which again, I consider was appropriate based on the amount, payment destination and the frequency of payments.*

*The first intervention, on 30 January, was a tailored written warning based on a payment reason provided by Miss C from a list of dropdown options, followed by a telephone call from a member of staff at Santander. I consider a tailored written warning based on the payment reason selected by Miss C would have been an appropriate intervention at that point, so Santander's intervention was probably stronger than I would have expected.*

*Unfortunately, Santander says the call recording is no longer available, which is perhaps unsurprising given the amount of time since the scam took place, but there are some notes of the content of the call and the warning message that Santander says Miss C would have received initially. The warning message says:*

*"Could this be an investment scam?"*

*If you've been cold-called or contacted out of the blue about an investment opportunity, this is likely to be a scam. Please check the company details thoroughly, including on the Financial Conduct Authority (FCA)'s website (FCA.org.uk) before transferring any money."*

*The call notes record that a member of staff at Santander asked Miss C whether she had dealt with the cryptocurrency exchange before and advised her to check the Financial Conduct Authority (FCA) register to make sure the company was genuine. It appears there may have been a check carried out by Santander at that point, but this appears to have been a check that the cryptocurrency exchange was genuine. There is no mention of any questions, disclosure or discussion about a third-party investment company.*

*From the limited available evidence, it appears that Miss C told Santander she was making an investment into cryptocurrency, which was accurate, and Santander provided some relevant warnings and asked some relevant questions about her investment. I don't have much evidence about the extent of what was discussed, but on balance I don't consider I can reasonably find that Santander's intervention wasn't reasonable and proportionate, based on what evidence I have, particularly Santander's warning and advice to check the FCA register and website. I note that there was a warning on the FCA website about the investment company, in January and February 2021, saying that it might be providing financial services or products in the UK without authorisation. That wouldn't necessarily mean the investment was a scam, but it might reasonably have caused Miss C some concern about the investment and might have prompted further research.*

*In Santander's further interventions, Miss C was sent an automated warning and was again*

*asked to select payment purpose reasons. On 1 and 4 February 2021, she said she was paying for a service and when Santander contacted her on 11 February 2021, she said she was paying a friend. The warnings Santander provided in response were relevant to the payment purposes Miss C gave, but since her responses didn't accurately reflect the real payment reasons, the warnings Santander provided to her were not directly relevant to her situation.*

*Even if Santander had probed further, perhaps through human intervention, and questioned some of the responses Miss C gave it, I'm not persuaded I could reasonably conclude that the scam would most likely have been uncovered and Miss C's losses prevented. I say this because I'm not persuaded Miss C would have given accurate answers to further questions Santander might have asked, given that she didn't give it accurate answers during other interventions.*

*Miss C suggests she didn't mislead Santander and that she probably picked the first available answer, considering this to be a tick box exercise. But having accurately told Santander she was making payment two as an investment, I don't see why she changed her answers when Santander intervened on later occasions. I might accept that she thought she was paying for a service, but I don't think she could reasonably have thought telling Santander that she was paying a friend was accurate.*

*Miss C says she hasn't retained copies of the messages she exchanged with the scammers, apart from some messages from 11 February 2021 onwards, so it's difficult to determine to what extent she was coached by the scammers. But Miss C does say that the answers she gave Santander should be viewed in the context of manipulation and pressure by the scammers. She also says the scammers told her not to mention cryptocurrency to Santander and was told banks don't like cryptocurrency. Considering that she did give inaccurate answers to Santander about the purpose of some of the payments, her comments about being manipulated and pressured into not disclosing information or giving inaccurate information, I'm not persuaded she would have given Santander enough accurate information to uncover the scam even if it had intervened further.*

#### *The payment to company T*

*Miss C has indicated that a further payment of £185 was made to the scammers on 26 January 2021. It isn't clear that Miss C reported this as a fraudulent payment to Santander in 2021, as it isn't included in Santander's notes or responses from the time. And her complaint letter to Santander didn't list the specific transactions she was complaining about, although it did say the payments she was complaining about were from 26 January 2021 onwards and this payment was mentioned in the report Miss C made to Action Fraud in 2021.*

*Due to the length of time that's passed since the payment was made, Miss C says she can't now recall whether this payment was made as part of the scam, but it is clear to me from the evidence that this payment was connected to the scam and so I have considered it.*

*I've asked Santander whether it has considered this payment under the terms of the CRM Code. Santander says Miss C received a warning in relation to this payment but didn't carry out due diligence on the company she was paying and as such it doesn't consider she is eligible for a refund under the CRM Code.*

*Santander seems to be relying on one or more of the exceptions contained within the Code, that the customer ignored effective warnings and/or didn't have a reasonable basis for believing the business they were dealing with was legitimate. I've considered this.*

*Santander sent the following warning when Miss C was making this payment:*

### **“Could this be an investment scam?”**

*Anyone cold-calling with investment opportunities are likely to be criminals. We recommend always checking the company details thoroughly on the Financial Conduct Authority (FCA)’s website (FCA.org.uk).*

*If you’re suspicious or someone is pressuring you, please stop now.”*

*A warning about the possibility that this might be an investment scam was clearly relevant to Miss C because she was making an investment. While Miss C hadn’t been cold-called, the warning did suggest she check the FCA website. If Miss C had checked the FCA website, there was a warning about the company she was investing with, at the time she made this first payment. As mentioned above, it warned that the company was operating in the UK without the necessary authorisation, rather than specifically saying it was a scam, but it might reasonably have caused Miss C some concern. Miss C says she undertook research and checked online reviews and couldn’t find any negative reviews. I think that would have been a reasonable step. But there were negative reviews available at the time, on the most popular review sites, which clearly stated that the reviewers believed this company was operating a scam. These negative reviews outweighed the positive reviews and while the positive reviews I’ve seen were brief and uninformative, the negative reviews were longer and detailed. In a phone call with Santander on 26 February 2021, which I have listened to, Miss C doesn’t appear to have understood how the investment worked and she says she didn’t do any checks into the company before investing.*

*Overall, I don’t think the evidence suggests Miss C did research the investment company before making any payments, despite a warning suggesting she should at least check the FCA website, she didn’t really understand what she was investing in and a brief check of the main review websites would have revealed information that should have caused significant concern. While Miss C has been the victim of a scam and clearly didn’t intend to send her money to scammers, despite my natural sympathy for her position, I’m not persuaded Miss C did have a reasonable basis for believing she was dealing with a legitimate company. On that basis, I don’t think Santander is being unreasonable in relying on this exception to the Code.*

### Recovery

*I agree with the investigator that Santander wouldn’t have had any reasonable prospect of making a recovery of Miss C’s money. Aside from the first payment, the payments were made to accounts Miss C controlled and she promptly paid the money out of those accounts to the scammers, so there wouldn’t have been anything left in her cryptocurrency accounts for Santander to recover.*

*Regarding the first payment, Miss C didn’t report it when she initially contacted Santander in 2021 and when she raised it in 2025 I wouldn’t have expected Santander to have attempted to recover it as too much time had passed.”*

Santander responded to say it accepts my provisional decision.

Miss C did not accept my provisional decision. She says:

- It’s well known that scammers encourage people to set up cryptocurrency accounts to move funds to scam investment platforms;
- She was instructed to download remote access software and this is typical of this type of scam. If Santander had asked her about that then the scam would have been

discovered;

- She selected multiple different payment options when answering Santander's questions and this should have caused concern to Santander;
- There was a point at which she was honest in the answers she gave Santander and if it had intervened with probing questions at that point, Santander would have uncovered the truth;
- Santander is responsible for ensuring any unusual activity is questioned to satisfy itself that its customer isn't falling victim to a scam. It has a duty to satisfy itself that its customer is not at risk of financial harm. A sudden change in spending pattern should have alerted Santander to the risk she was facing;
- The payments were very unusual and should have led Santander to intervene further than it did;
- Santander failed in its duty to ask probing questions and failed to provide appropriate scam warnings.

Miss C also provided a list of questions she thought Santander ought to have asked.

### **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've reached the same overall conclusions and for the same reasons set out in my provisional decision, but I'll address the additional points Miss C has raised.

While I have noted Miss C's comments about Santander's responsibilities, I think they overstate the position. Santander has a difficult balance to strike in making the payments its customers instruct it to make and taking measures to help prevent fraud. As I said in my provisional decision, I consider Santander ought to have been on the look-out for fraud and there are circumstances in which I would expect it to make additional checks.

I agree that some of the payments warranted intervention from Santander, and Santander did intervene on several occasions. Miss C considers further intervention would have uncovered the scam and would have prevented further loss. She suggests that well timed human intervention, with questions focused on areas like downloading remote access software, whether she had been asked to set up a cryptocurrency account and why she had selected different payment options, amongst others, would have uncovered the scam. She thinks Santander failed in its duty to ask probing questions and failed to provide appropriate scam warnings.

I consider the examples of probing questions that Miss C has provided are good examples of the sort of questions Santander might have asked if it had intervened further by phone. But I remain of the view that the evidence isn't sufficient to show it's likely that intervention would have succeeded. Miss C gave inaccurate answers to some of Santander's automated questions when it did intervene. I don't have copies of the messages she exchanged with the scammer, apart from a limited number towards the end of the scam, but Miss C says her answers should be viewed in the context of pressure and manipulation that she was subjected to by the scammer. She also says the scammers told her to mislead Santander, specifically not to mention cryptocurrency to Santander. So, the combination of having given inaccurate answers to Santander when it did intervene and telling us she had been told to

mislead Santander, suggests Miss C might have given Santander further inaccurate information if it had intervened further.

While Miss C suggests a telephone call would have been more effective than some of the automated warnings Santander gave her, Santander did intervene by phone on 20 January 2021 and that intervention didn't uncover the scam. While it's unfortunate a copy of the call recording isn't available, given that a complaint wasn't made until around four years after the scam took place, it isn't surprising. The evidence I have suggests that during that call, Santander asked some relevant questions and gave some relevant warnings, but it didn't uncover the scam.

Based on the evidence I have, in particular that Miss C gave Santander inaccurate information and that a telephone intervention didn't stop the scam, I think it would be difficult to conclude that it's more likely than not that further intervention, even if it was by telephone, is likely to have prevented Miss C's further losses.

Overall, for the reasons given above and in my provisional decision, I consider it's unlikely further or better intervention would have prevented Miss C's losses and so I'm not requiring Santander to do anything further.

### **My final decision**

I don't uphold Miss C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 4 March 2026.

Greg Barham  
**Ombudsman**