

## **The complaint**

Miss W complains that Santander UK Plc hasn't reimbursed her after she fell victim to an investment scam

## **What happened**

Miss W was contacted by an individual on Facebook. He posed as an investment adviser but, unbeknownst to Miss W, he was a scammer.

Miss W carried out some checks to satisfy herself the adviser and his company were above board. She decided to invest £3,500 initially and sent money to a cryptocurrency wallet she'd set up in her name. She then moved the funds on from there, at the scammer's instruction. This was in August 2021. In the weeks that followed Miss W could see her investment growing, viewing her holdings through an online dashboard.

Happy with how the investment was performing she invested a further £1,000 in December 2021 and a further £5,000 in February 2022.

But when Miss W received none of the promised returns, she realised she'd been scammed. She contacted Santander to report what had happened, but it said it wouldn't reimburse her loss.

## **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.

I'm sorry to hear Miss W has been the victim of a cruel scam. I don't doubt she's suffered an emotional and mental toll, as well as a financial one. But I'm afraid I'm not upholding her complaint as I find Santander has acted fairly and reasonably in the particular circumstances of this case.

Santander is a signatory to the Lending Standards Board's Contingent Reimbursement Model (CRM) Code, which seeks to see victims of scams reimbursed in most circumstances. But the Code doesn't apply here, and that's because Miss W sent money to a cryptocurrency wallet in her name.

Santander does still have obligations to monitor accounts for suspicious activity and to protect its customers from fraud though. Even where the CRM Code doesn't apply. It must be on the lookout for account usage that looks unusual and/or bears the hallmarks of common scams. And if it detects such usage then it should intervene in a payment to make sure its customer isn't at risk of financial harm through fraud.

I've considered the payments made by Miss W and thought about whether there was enough going on to put Santander on notice that something might be wrong. I don't think there was.

The first payment, whilst a significant loss to Miss W, isn't so large and unusual in general terms that I'd expect Santander to act. Even though it was to a new payee.

The subsequent payments are then made to the same payee, four and six months later respectively. They weren't made in quick succession. And as the payee had by the time of

each payment been established for several months, with no problems being flagged, I can see why it would have been viewed as carrying a low risk to Santander.

As I don't find the payments made by Miss W ought to have appeared unusual to Santander, it follows that it needn't have done anything more to stop them from leaving her account; it made no error in allowing the payments to be made. It was then fair and reasonable for it to decide not to reimburse Miss W's loss once the scam was reported.

### **My final decision**

I don't uphold this complaint against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 2 November 2023.

Ben Murray  
**Ombudsman**