

## **The complaint**

Ms K complains that Barclays Bank UK PLC (“Barclays”) won’t refund in full money she lost when she fell victim to an investment scam.

Ms K is being represented by a claims management company in this complaint.

## **What happened**

The full details of this complaint are well known to the parties and have been set out by the investigator previously. So, I won’t repeat them again here. Instead, I’ll provide an overview and focus on giving my reasons for my decision.

In 2023, Ms K fell victim to an investment scam. She made several payments from her Barclays account in connection to what she believed was a cryptocurrency investment opportunity. She’s explained she thought she was dealing with a broker which I’ll refer to as “I1”. But the website and the platform used to invest was under a different name – I’ll call it “I2”. Ms K’s representative submits that I2 was a clone of I1 which is a legitimate company.

On realising that she’d been scammed and reporting it to Barclays, the bank concluded that it could have done more to protect Ms K from falling victim to a scam. It noted that while it did intervene during some of the payments, the enquiries didn’t go far enough. But it also believed that Ms K didn’t carry out sufficient due diligence herself. As such, it thought both parties should share responsibility for what happened. It said it would refund 50% of the total claim value, plus compensatory interest. Barclays also offered to pay £100 compensation for any distress and inconvenience caused.

Ms K’s representative didn’t think she should share responsibility for what happened and asked for a full refund. Our investigator looked into the matter and concluded that it was fair to reduce the refund by 50% as they agreed Ms K didn’t carry out sufficient checks to satisfy herself that the company she was dealing with was legitimate. Given the communication from the scammer came from I2, the investigator thought it was reasonable for Ms K to have looked into it and not just I1.

Ms K’s representative didn’t agree and said it isn’t unusual for someone to research the name of the company given rather than the specific website address they were using.

## **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 agree with the conclusions reached by the investigator for these reasons –

- It’s accepted by all parties that Ms K was scammed by I2. Barclays has also acknowledged that the very first disputed transaction was out of character, so it should have intervened and asked sufficiently probing questions. It also accepts that had it done so, it is likely the scam would have been uncovered, and losses

prevented. Ms K's referral to this service only mentions her disagreement with Barclays making a deduction for contributory negligence. I've therefore proceeded on the basis that she's not disputing the £100 compensation the bank has paid. And so, what's left for me to decide is whether it is fair that a deduction is made from the refund that Barclays has accepted liability for.

- There's a general principle that consumers must take responsibility for their decisions. So, I've duly considered whether Ms K should bear some responsibility by way of contributory negligence. We've been told that Ms K carried out some research into before deciding to invest – including reading reviews. While I understand the point the representative is trying to make about it being normal to research the company rather than the website address or the platform being used, the correspondence between Ms K and the scammer that has been provided shows they were an employee of I2. For instance, the domain name in the scammer's email address I2, not I1. The correspondence also includes an email which is signed off as coming from I2's support team. And later emails Ms K received specifically mention that the email is on behalf of I2. In the circumstances, I can't fairly conclude that Ms K couldn't reasonably have known her dealings were with I2, not I1.
- Barclays blocked a payment on 12 July and contacted Ms K to make further enquiries. This is the same intervention that her representative has also mentioned in their submission, during which Ms K couldn't recall the name of the platform she was investing with. I've listened to the recording of this call, and Barclays can be heard providing some information to Ms K on how cryptocurrency scams. The agent also encourages Ms K to research the platform, including checking the Financial Conduct Authority's register. Ms K appears to engage with the information provided and asks the agent to repeat the name of the organisation she should be checking details on. This indicates that not was Ms K made aware that she needed to look into the investment platform being used, but also to verify its legitimacy on the regulator's website.
- The Financial Conduct Authority published a warning about I2 on 4 July which warned investors that it wasn't authorised by the regulator and to avoid dealing with the firm and beware of scams. There were also negative reviews about I2 prior to the warning being published. So, adverse information about I2 was available in the public domain at the time of Ms K's payments.

All in all, weighing up the liability on both sides, I think it is fair that the refund due to Ms K is reduced by 50%.

Both parties have set out the same list of payments that have been disputed, but Barclays has advised our service that it made a mistake in its calculation when it responded to Ms K's complaint and paid the refund. So, while the principles behind the bank's calculations are correct, i.e., refund 50% of the payments disputed (along with compensatory interest), some further funds may be due. I expect Barclays to provide an update to Ms K and/or her representative directly about this.

### **My final decision**

My final decision is that I don't uphold this complaint as prior to the complaint being referred to our service, Barclays Bank UK PLC has already offered to refund 50% of the disputed payments to settle the complaint – and both parties agree on the list of the disputed payments – which I consider a fair outcome. If it hasn't already done so, Barclays Bank UK PLC needs to complete the settlement in line with the proposed offer.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 13 June 2025.

Gagandeep Singh  
**Ombudsman**