

## The complaint and background

Mr G through his representative, complains about the actions about the actions of Metro Bank PLC ("Metro") when it declined to refund him money lost when he fell victim to a cryptocurrency investment scam totalling £64,700.

The details of this complaint are well known to both parties, so I won't repeat them in full here. Instead, I'll summarise what happened and focus on giving details of our Services' involvement and the reasons for my decision.

Mr G saw an advert on social media for an investment firm I'll refer to as AF. After carrying out some research on AF, Mr G decided to invest. He was contacted by a broker of AF whereby he was directed to open an account with Metro to help with the investments. Mr G funded his account with Metro before making purchases of cryptocurrency which he was advised would then be used to purchase various commodities.

Mr G then attempted to make a withdrawal, where he was told he'd need to pay a fee. He did so, but no withdrawal was ever received. Mr G then wanted to withdraw all of his funds and end his agreement with AF early, but he was told he'd need to pay an early closure fee – which he paid. When Mr G received no funds, it at was this point he became suspicious that he'd been scammed and sought advice from his representative.

A complaint was raised with Metro which was rejected before it was brought to this service.

I contacted Metro informally, as our rules allow. I expressed that I was minded to reach the same conclusion and for much the same reasons as our investigator. That being to uphold the complaint in favour of Mr G and that Metro ought to provide a full refund plus interest.

In response, Metro queried why I was recommending it provide a full refund plus interest. It made reference to our investigators initial findings which recommended that Mr G ought to be provided a refund of 50% of his losses plus interest. And as I had advised that I was in agreeance with what our investigator had said, it wanted me to confirm the reason I was asking it to provide a refund in full.

I returned to Metro advising that its reference to a 50% refund from our investigator, was following their initial investigation. I said that after this initial investigation, Mr G's representative provided a response to challenge the deduction made. Our investigator then issued a further view – a further copy of which was provided, which confirmed the investigator was now recommending Mr G ought to be refunded in full plus interest.

*I also highlighted that I had set out the following in my initial email to Metro: Lastly, turning to whether Mr G ought to bear some responsibility for his loss by way of contributory negligence. I also agree with our investigator. I wouldn't have considered the returns promised of 40% to be too good to be true, and there's little in the public domain at the time that ought to have alerted Mr G to any concerns about AF. The Financial Conduct Authority first published a warning about AF in August 2024, which was after Mr G's payments.*

Metro apologised for the confusion, but requested a decision be issued.

## **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.

It isn't in dispute that Mr G authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Metro is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

Metro said the account was newly opened with no previous transactional data for them to be concerned with Mr G's account activity. But certain scams involving cryptocurrency often involve money passing through more than one account and this sort of scam was not uncommon at the time.

The Financial Conduct Authority and Action Fraud published warnings about cryptocurrency scams from 2018 and, by the time this scam occurred in 2024, it was widely understood that there were associated risks in relation to payments made to cryptocurrency exchanges.

That said, I'm satisfied that from the first payment Mr G made for £4,000, Metro ought to have intervened. I say this because Mr G's account was newly opened, yet he was transferring in large sums of money and then transferring them out to his cryptocurrency exchange account. The incoming payments were mirroring those immediately leaving the account, and that's something Metro ought to have known was an indicator of fraud. I'm satisfied Metro ought to have been concerned enough about the payment for it to have asked more questions of Mr G.

Metro said that it provided an effective warning at the beneficiary creation though it hasn't provided the content that would've featured in such a warning. Given the available evidence, this doesn't support Metro did enough here.

I think Metro should have asked further questions of Mr G during the payment process and based on the answers given by him, provided a warning tailored to those responses. I think this could have included providing information specifically about cryptocurrency investment scams such as how they operate – including opening of new accounts to facilitate payments, as well as the tactics employed by scammers to obtain more money from victims. And by the second payment of £16,000, I'm satisfied that a proportionate intervention ought to have had Metro contacting Mr G directly by telephone to discuss his activity.

Metro said even if it had intervened, it is likely Mr G would have told them he was making payments to his own account at a cryptocurrency exchange which he had control of and that the payments would have been released as a result. I think that if Metro had provided a tailored, robust, clear warning from the first disputed transaction as I've set out above, it's likely Mr G would have chosen not to go ahead with the first or subsequent payments. If Metro had confirmed to Mr G its knowledge of scams like this – which it ought to have been well aware of, I think it's unlikely Mr G would have wanted to still proceed with this payment or any after this. Because of this, I think Metro missed an opportunity to intervene in circumstances which most likely would have prevented Mr G's losses.

That said, I am aware that Mr G transferred money from another bank to his Metro account. So I checked with it to see if it had made any interventions or issued any warnings of its own to Mr G, at the time he transferred his funds to Metro. It confirmed no interventions took

place. Which means, if Metro had intervened, it would have been the first to contact Mr G about this scam.

Metro doesn't think it should be liable for Mr G's losses because he transferred the funds to an account in his name, and then it was at that point he transferred money onwards to AF. Whilst Mr G remained in control of his money after making the payments from Metro – and it wasn't until he took further steps from his cryptocurrency account that the funds were lost to AF, Metro still ought to have recognised that Mr G was at risk of financial harm from fraud. And as I've explained above, made further enquiries and ultimately prevented Mr G's loss from that point. I'm satisfied Metro can be fairly held liable for Mr G's loss in such circumstances.

For completeness I have also considered the role of other financial institutions involved before deciding this case. Mr G has chosen not to complain about any other firm, and I cannot compel him to do so. And I do not think it would be fair to reduce Mr G's compensation because he only complained about one firm, as I consider that Metro should have prevented the loss. That said, I have had confirmation from Mr G's other bank that no complaint was raised and that no refunds have been provided as a result. Therefore, I'm satisfied there isn't a situation here that might result in Mr G recovering more than he is otherwise entitled to.

There's a general principle that consumers must take responsibility for their decisions and conduct suitable due diligence, and I've thought about whether Mr G should bear any responsibility for the loss I've said Metro should have prevented. In doing so, I've considered what the law says about contributory negligence as well as what's fair and reasonable in the circumstances of this complaint.

At the time of Mr G making the payments, I can't see that there were warnings at that time provided about AF. The first warnings by global regulators regarding AF weren't published until the months after Mr G first made payments. Furthermore, the TrustPilot reviews available prior to Mr G making any payments were predominantly positive. So when Mr G went to check up on the company he would have seen other clients had mostly positive experiences in dealing with AF. Looking at the documentation presented by Mr G and screenshots of AF's platforms, I'm not satisfied there was anything particularly alarming or that ought to have caused him concern. I've also found that AF were utilising email spoofing from legitimate cryptocurrency related entities in order to convince Mr G when additional fees might be due. Metro explained to Mr G that it considered the expectation of 40% profit per annum ought to have stood out as unlikely, pointing to the investment being too good to be true. But I disagree that 40% profit per annum in and of itself would have meant that Mr G ought to have had concerns regarding the legitimacy of the alleged investment opportunity, when weighed against the lack of warnings and positive reviews about AF.

I've thought carefully about whether Mr G should bear some responsibility for his loss by way of contributory negligence. Mr G fell victim to a sophisticated scam and on considering the evidence and arguments provided by both parties, together with the wider surrounding circumstances, I don't think he should.

I've considered whether there are any ways Metro could have recovered Mr G's money, but I don't consider it could have. Mr G bought genuine cryptocurrency with the funds which he sent on as part of this scam. So he did receive what he paid for, even if he then lost it due to the scam.

### **Putting things right**

To resolve this complaint Metro Bank PLC should:

- Refund Mr G's loss to the scam in full
- Pay simple interest at 8% per year on the amount refunded, calculated from the date of loss to the date of settlement

If Metro Bank PLC is legally required to deduct tax from the interest, it should tell Mr G how much it has taken off. It should also give Mr G a tax deduction certificate if he asks for one, so he can claim it back from HMRC if appropriate.

### **My final decision**

I uphold this complaint. Metro Bank PLC should put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 18 November 2025.

Mark O'Connor  
**Ombudsman**