

The complaint

Ms D complains that Metro Bank PLC didn't do enough to protect her when she fell victim to a cryptocurrency investment scam.

What happened

In mid-2019, Ms D responded to a cryptocurrency investment advert she found online and was contacted by the company. She invested with this company for a few months and then wanted to withdraw her investment and profits. At this time, she was asked to pay fees relating to the withdrawal and was advised she could then access her money. But she didn't receive anything and the website for the investment firm disappeared. Ms D realised she'd been scammed and reported this to the cryptocurrency provider.

In 2024, Ms D also reported the scam to Metro and when it didn't refund her, she complained about this. It didn't uphold her complaint, so Ms D came to our Service.

Our Investigator partially upheld her complaint. He said that Ms D wasn't covered by the reimbursement model that was in place in 2019. However, he considered Metro should've intervened when Ms D made the first payment and had it done so, the scam would've unravelled. He however also held Ms D liable for her losses, so only awarded her 50%.

Ms D accepted the view. Metro disagreed and said the reimbursement model didn't apply and Ms D hadn't done enough due diligence. Our Investigator explained he agreed with this, which is why he hadn't upheld under this model and has reduced the refund he did make by 50%. But Metro asked for an Ombudsman to reconsider the case, as it maintained it disagreed on those grounds.

I tried to resolve the case informally with Metro as it hadn't given a clear reason why it disagreed with the view, as all parties agreed that model didn't apply. And I explained I agreed with the outcome the Investigator had reached. But it requested a Final Decision.

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've considered longstanding regulatory expectations and requirements, and what I consider to be good industry practice for firms when processing payments. In line with this, Metro ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

Ms D only opened her Metro accounts in mid-July 2019. Her opening balance on her August 2019 current account statement was £25, but on 12 August 2019 she moved £18,600 into this from her newly opened savings account. On 13 August 2019, £17,756.56 of this was sent to a cryptocurrency provider, with an additional £10 fee. This payment was therefore for a large sum, going to destination that, by 2019, should've caused some concern. Considering this and the limited and low-level account activity to date, I consider Metro ought to have questioned Ms D about this payment, as it indicated a potential risk of financial harm from fraud.

Metro disagrees that cryptocurrency payments ought to have been a concern in 2019. But as our Investigator set out, the FCA and Action Fraud published warnings about cryptocurrency scams in mid-2018, so over a year prior to this payment. And more importantly, the value of this sum and the fact Ms D had only just opened both accounts, paid this money in and then was sending it back out should have raised some concern, aside from the destination of the funds. So I agree that this payment ought to have triggered an intervention by Metro.

I consider Metro should've confirmed with Ms D why she was sending this money before it allowed the payment to be processed. Ms D believed this was a real investment opportunity and I've seen nothing to suggest she'd have misled Metro about this. Her emails with the scammer don't indicate she should lie to her bank if she's asked any questions. And I can't see any additional reasons she would've decided to lie to her bank, as she thought what she was doing was genuine and not something she needed to conceal.

While I accept Metro wouldn't have had cryptocurrency scam specific warnings at this time, Ms D was ultimately investing and that's what I consider she would've shared. Due to the nature of her specific scam, it had the hallmarks of a general investment scam whilst being related to cryptocurrency. As this was her first large payment, had Metro shared this kind of warning with Ms D, I'm satisfied she would've stopped investing.

I say this because Ms D saw an advertisement online for investment and then received a call back from a financial advisor who was helping her invest. Throughout the process she was then being advised by this person, but they were (of course) not regulated (as they should've been) or a genuine financial advisor. The returns promised were far too good to be true, 50% or more of what she invested. She was being asked to move her money through cryptocurrency platforms to another wallet she didn't have control over. And she understood she was dealing with a different, genuine cryptocurrency merchant to the merchant she was being asked to pay, which is in itself a concern. And none of the emails received were from, or the website she used for trading was for, this genuine, cryptocurrency merchant.

I consider that these facts would've come out had Metro spoken to Ms D, as it should have, considering the value of the payment here. And there were enough red flags for Metro to then be concerned Ms D was being scammed. Had it shared this concern, I'm satisfied she would've cancelled the payment and stopped corresponding with the scammer. At this stage she had only sent a small payment through a different cryptocurrency provider, and hadn't lost these funds, so she wasn't heavily invested in the opportunity, whereas she was about to be.

Due to this I'm satisfied that Metro could've prevented Ms D's losses to this scam and so it's liable to refund all the payments made.

However, I've then considered whether Ms D ought to also hold some responsibility for her losses – and I'm satisfied she should, and so Metro can reduce the amount it refunds her by 50%.

The facts I've shared above should have been, at some level, red flags for Ms D too. Considering the amount she was sending, she ought to have done a greater level of due diligence than she did. And I think she ought to have noticed that the website and emails didn't match the initial merchant she thought she was investing through. The returns described were far too good to be true. And Ms D was agreeing to send a very large sum when she wasn't clear on what she was doing. She's now admitted to being confused by the scammer with the multiple steps and merchants involved. Considering the information she held, I think she also ought to have realised something wasn't right and not felt comfortable with the opportunity. So she should also share responsibility for the losses here.

In relation to the loss, we asked Ms D for a copy of her cryptocurrency account statements and these were provided to us. These show the payments from Metro coming into the account and being withdrawn to other cryptocurrency wallets, in line with the scam emails we've seen. And they show no other credits being received to the account except for these and a zero balance in October 2019.

Metro has said it has concerns Ms D may have had access to returns in her cryptocurrency wallet, but it hasn't substantiated this statement with any evidence. I appreciate the emails Ms D received from the scammer suggest there could be funds in her wallet that she could withdraw, but she has confirmed she never actually saw these funds. And as above, the cryptocurrency statements don't show her receiving any funds back at all. And considering the online reviews available state this is a scam and Ms D quickly reported the scam to the cryptocurrency merchant after not receiving the returns, it seems highly unlikely she did receive returns or successfully withdraw funds.

Putting things right

Metro Bank PLC should:

- Refund Ms D the payments she made due to this scam from the £17,756.65 payment on 13 August 2019 onwards, minus 50% for her contributory negligence
- Pay 8% simple interest per annum on the refunded amounts from the date of each payment until the date of settlement

My final decision

For the reasons set out above, I partially uphold Ms D's complaint against Metro Bank PLC and require it to pay the redress outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 25 July 2025.

Amy Osborne
Ombudsman