DRN-5517850

The complaint

Mr O complains that Barclays Bank UK PLC (Barclays) is refusing to refund him the amount he lost as the result of a scam.

Mr O has previously been represented by a third party. To keep things simple, I will refer to Mr O throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr O has told us that he saw an advertisement on social media for an investment company I will call "X" promoting investment services for beginners. Interested in the potential opportunity Mr O followed a link to what appeared to be a genuine and professional website.

Mr O was persuaded to make multiple payments via cryptocurrency platforms, into what he thought were genuine investments and could see that his investments were progressing well, but when he attempted to make a withdrawal X told Mr O that he would have to make further payments first.

Mr O made further payments as directed by X but was still unable to make a withdrawal and realised he had fallen victim to a scam.

Mr O has disputed the following payments made in relation to the scam from his Barclays account, I have also included other payments that were related to the scam in the table below, but these have not been considered when forming my decision as they were not raised to Barclays by Mr O:

Payment	Date	Payee	Payment Method	Amount
	13 January 2024	CRO – Not disputed	Debit Card	£205.98
	26 January 2024	CRO – Not disputed	Debit Card	£832.18
1	2 February 2024	CRO	Debit Card	£1,383.86
2	8 February 2024	CRO	Debit Card	£1,361.22
3	14 February 2024	CRO	Debit Card	£3,385.50
4	26 February 2024	CRO	Debit Card	£2,089.29
5	20 March 2024	CRO	Debit Card	£926.91
6	24 March 2024	CRO	Debit Card	£4,222.59
7	30 March 2024	CRO	Debit Card	£16.72
8	30 March 2024	CRO	Debit Card	£2,109.88
9	3 April 2024	CRO	Debit Card	£2,108.48
	10 April 2024	Foris MT Limited – Not disputed	Transfer	£1,180.00
10	26 April 2024	CRO	Debit Card	£2,506.91
11	7 May 2024	CRO	Debit Card	£4,246.89
12	4 June 2024	Foris MT Limited	Transfer	£4,165

	11 June 2024	Foris MT Limited	Credit	£154.10Cr

Our Investigator considered Mr O's complaint and didn't think it should be upheld. Mr O didn't agree, so this complaint has been passed to me to decide.

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 has not been disputed that Mr O has fallen victim to a cruel scam. The evidence provided by both Mr O and Barclays sets out what happened. What is in dispute is whether Barclays should refund the money Mr O lost due to the scam.

Recovering the payments Mr O made

The payments Mr O made in relation to the scam weren't made to the scammer directly. Instead, Mr O made payments to a genuine cryptocurrency exchange in exchange for cryptocurrency. As there is no dispute that cryptocurrency was provided to Mr O in exchange for the payments he made, and it took further steps for those funds to end up in the hands of the scammer, any attempt to recover the disputed payments would have no prospects of success.

Mr O has also mentioned the CRM Code in support of his argument that Barclays should provide a refund to him. But the CRM code only applies when domestic payments (as the result of a scam) are sent to another person. Here Mr O made genuine payments in exchange for cryptocurrency. And the scam occurred when he moved his purchased cryptocurrency to the scammer. I'm satisfied the CRM Code wouldn't apply in this scenario.

Should Barclays have reasonably prevented the payments Mr O made?

It has been accepted that Mr O authorised the payments that were made from his account with Barclays, albeit on X's instruction. So, the starting point here is that Mr O is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Barclays should have been aware of the scam and intervened when Mr O made the disputed payments. And if it had Intervened, would it have been able to prevent the scam taking place.

Barclays did intervene when Mr O attempted to make a payment in relation to the scam on 9 April 2024 and a call between Mr O and Barclays took place, Barclays have provided a copy of this call to our service.

During the call Mr O was not honest when he was questioned about the payment he was attempting, Mr O confirmed:

- He was not dealing with a broker
- He had found the investment by researching himself and investing in stocks for many years
- He had not been told what to say to Barclays
- He had not spoken about the payment to anyone else

A transcript of messages sent between Mr O and X has also been provided to our service. It's clear from the transcript of these messages that Mr O was aware of the scam, or at the very least had a strong feeling he was being scammed, yet he continued to make payments in relation to the scam anyway.

I think Barclays should have intervened sooner, and as early as payment 3. But I don't have enough to say that Mr O would have provided any more honest answers to Barclays questions had it done so.

Giving incorrect information to Barclays did and would have continued to make it extremely difficult for Barclays to uncover the scam that was taking place.

So, with the above in mind, I don't think Barclays missed an opportunity to prevent the scam and it is not responsible for Mr O's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 3 October 2025.

Terry Woodham
Ombudsman