

The complaint

Mr I complains Barclays Bank UK PLC won't reimburse money he lost when he fell victim to a scam.

What happened

Mr I paid £10,000 in May 2020 for what he was led to believe was a legitimate investment opportunity. Mr I sent funds to a genuine cryptocurrency exchange before transferring them to the scammer's wallet. Mr I realised he had been scammed when he could no longer see the transactions on the trading platform and received no response from the scammers. He did not raise the issue with Barclays at the time as he did not know he was able to.

Our investigator didn't uphold the complaint, as although he found Barclays ought to have intervened with a written warning, he wasn't persuaded that would have prevented Mr I's loss. This was because Mr I was introduced to the platform by a close family friend and so did not think a warning would have stopped him wanting to proceed.

Mr I asked for the matter to be referred for a decision as he believes Barclays holds the responsibility of being the expert and professional in the relationship. He says had it intervened it would have prevented the loss.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

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 Investigator's conclusions for the following reasons:

- It isn't in dispute that Mr I authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Barclays is aware, taking longstanding regulatory expectations and requirements into account, and what was considered 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.
- I have kept in mind the payments were to a cryptocurrency provider, but that doesn't mean payments should automatically be treated as suspicious, particularly when there are no other concerning factors about the payments. I'll also note that investing in cryptocurrency, albeit risky, is a legitimate investment.

- The payments to a cryptocurrency exchange were in 2020 and the awareness of the scam risk around such payments was not the same as now.
- The initial payment as a result of the scam was not of such a high amount that I think it should have been of concern to Barclays. I'm not persuaded there was anything about that payment that ought to have looked suspicious to Barclays.
- However, the second payment made was for substantially more totalling £9,998. That payment should have looked suspicious to Barclays and it should have intervened.
- In 2020, the intervention I would have expected would have been a written warning that broadly covered the general scam risks. I wouldn't have expected a warning to be tailored to a specific scam.
- However, I am not persuaded such a written warning would have resonated with Mr I. I say this because he was under the belief a close family friend, who had introduced him to this platform after using it for six months, had successfully withdrawn more funds than he had invested. I'm persuaded such credibility and influence would have far surpassed the impact a written warning may well otherwise have had.
- Similarly, Mr I explained he had several telephone calls with the scammer, had to provide documents, completed thorough research, discovered no negative information online and all correspondence details of the scammer appeared legitimate. This all minimised his suspicions as well. Alongside this, Mr I had access to the family friend's account and was able to review it for himself – giving him additional confidence.
- I've not seen any evidence that Barclays should have been aware that Mr I was sending his funds from the cryptocurrency exchange directly to the scammer.
- I can only ask Barclays to reimburse Mr I if I find that any wrongdoing on its part caused his loss. However, I'm not persuaded it did.
- I've noted Mr I has referenced decisions that he believes are close to his circumstances. However, we consider each case on its own individual merits and although he believes the circumstances of other decisions seem to be similar, there are key differences.
- I'm similarly not persuaded there were any prospects of Barclays successfully recovering the funds, given the time that passed between the payments and Mr I informing Barclays. However, I've noted it did contact the cryptocurrency exchange Mr I sent the funds to in an attempt to do so. Ultimately, had Mr I not sent the funds from his cryptocurrency wallet to the scammer they would still be within his control.
- Although Barclays has signed up to the Contingent Reimbursement Model Code, the payments Mr I made from his account aren't covered by the Code because he made the payments to his own account. I cannot fairly and reasonably say that Barclays should have to refund payments under the Code when it doesn't apply here.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 26 September 2025.

Lawrence Keath
Ombudsman