

## The complaint

Mr B is unhappy that Bank of Scotland Plc trading as Halifax (Halifax) won't refund all of the payments he made because of an investment scam.

Halifax has paid half of the payments Mr B made to scammers as compensation, along with a payment for distress and inconvenience and interest. Mr B would like Halifax to pay all of the total value of the payments back to him.

Mr B has been represented by a claims management company throughout his complaint. I have referred to them as Mr B's representatives.

## What happened

In September 2024, Mr B responded to an advert about cryptocurrency investment. He was soon in conversation with someone about investing and received calls, WhatsApp messages and emails from them. In October 2024, he made several payments from his Halifax bank account to a cryptocurrency exchange account also in his name. He then converted the money into cryptocurrency and then moved it into another wallet belonging to someone else.

Unfortunately, Mr B was in discussions with scammers, and once the money left his cryptocurrency account, it was in their hands. He transferred at least a total of £23,849 between 10 October 2024 and 21 October 2024. He realised something was wrong when the scammers asked him to pay money in, in order to make a withdrawal.

Mr B through his representatives, complained to Halifax about what had happened. Halifax responded in July 2025 and said it ought to have intervened by the third payment Mr B made on 11 October 2024, and it was sorry that it didn't do more. It offered to repay half of the payments Mr B made that was lost to the scam. It calculated this to be £11,530.29 that included £10,924.50 in payments, £50 payment for distress and inconvenience and £555.79 interest.

Halifax said although it should have intervened, it felt Mr B could have done more as well to protect himself from the scam. It says he could have carried out checks before he invested, and if he did, he would have seen a warning issued by the FCA about clone firms such as the one Mr B gave his money to. It said the FCA issued this warning before he sent the money over.

Unhappy, Mr B's representatives brought his concerns to our service to investigate. They said Halifax should pay all the amount he lost to the scam back to him.

The Investigator looked into matters and agreed that Halifax ought to have been concerned that Mr B might have been at risk to being scammed and felt it should have intervened. He concluded if Halifax had made enquiries, then it would have uncovered the scam, warned Mr B and that would have led to him not making the payments.

The investigator said Mr B could have taken more care and checked that the business was real and not a clone. He said Mr B ought to have suspected something wasn't right as he was not given any paperwork. He said in the circumstances that Halifax's offer seemed fair.

Mr B's representatives were not happy with the investigator's view. They repeated that Halifax should pay all of the payments back to Mr B. They pointed to his age, lack of digital literacy and his absence of investment experience. They said the scam was sophisticated.

Mr B's representatives asked for his complaint to be referred to an ombudsman, so the case has been passed to me.

### **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've reached the same outcome as our investigator, and I will explain why.

The starting position in law is that Mr B is responsible for the payments he made. And Halifax has a duty to make the payments they tell it to.

But, as supported by the terms of the account, that doesn't preclude Halifax from making fraud checks before making a payment. And, considering regulatory expectations and good industry practice, I'm satisfied that it should fairly and reasonably do this in some circumstances.

Halifax has already said it did something wrong here, and that the payments in question were unusual based on Mr B's account activity. It said it ought to have made an intervention from the third payment on 11 October 2024 and decided it should pay Mr B compensation because of this.

I am satisfied that there was nothing unusual or uncharacteristic about the first two payments Mr B made on 10 and 11 October 2024 to his cryptocurrency exchange account. Or that Halifax ought to have made an intervention at this point.

I also don't need to make any findings from the third payment about whether Halifax ought to have intervened or whether it would have made a difference here. Halifax said it should have done, and it would have made a difference. So, I will move on, on that basis.

What is left for me to consider, is about how much Halifax should pay. There was an FCA scam warning specifically about the people who were in contact with Mr B, at the time he made the payments. The FCA issued a warning in September 2024 about clone firms attempting to defraud people using the trading name given by the scammers to Mr B.

So, I have looked at this first, because I have needed to consider whether, after an intervention, Halifax would have on balance, uncovered this warning. If it had done so, then I would have expected it to have taken action to disrupt the journey of these payments from the third amount Mr B made on 11 October 2024. If I were to conclude this, then I would be considering failures by the bank to stop the payments altogether, and in this scenario the fault may rest with Halifax altogether.

That said, in the circumstances of Mr B's complaint, I don't think I can draw that conclusion. I am not persuaded, given Mr B's misdescription of the purpose of the payments as for a holiday, that Halifax would have necessarily got to a place to identify the clone firm's name. In these circumstances, although Halifax has agreed it ought to have done more from the

third payment, asked more questions and issued a warning to him, I can't on balance, say that this would have led to it uncovering all of what was happening including the FCA warning. So, because of this I have gone on to consider whether responsibility for the loss should be shared between Halifax and Mr B.

There's a general principle that consumers should take responsibility for their decisions and conduct suitable due diligence, and I've thought about whether Mr B should bear any responsibility for what he has lost to the scam, this being £23,849 in total. 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.

Here, although I do acknowledge what Mr B's representatives have said about Mr B's age, his experience of investing and about the scam itself, I still think if Mr B had carried out even cursory checks, he would have seen that it all wouldn't have stacked up.

Mr B was asked to open a cryptocurrency account, and hand over large amounts of money, without due diligence about whether this person or company was regulated or what rights or protection he had around this. I think basic checks about the credentials of the people he was talking to, would have led him to an FCA warning about clone firms.

In addition, Mr B was an active director of a company at the time and had invested in cryptocurrency before as well as having some limited experience of other investments. So, if he had carried out checks I think he would have understood what he has dealing with. On balance, all of this doesn't support what Mr B's representatives have said about the circumstances at the time he made his payments.

When I consider all of this in the round, if I was making an award in Mr B's complaint, I would have reduced any compensation by 50% for his contributory negligence. It follows, I am satisfied that Halifax's payment of 50% of the disputed transactions relating to the scam, to be fair and reasonable, alongside the payment of distress and inconvenience and interest. I don't require it to do anything more.

In conclusion, although I am sorry to read about what happened, and I have sympathy for Mr B being a victim of a scam here, I think Halifax on this occasion, has fairly compensated him for not doing enough to protect his money. So, I don't uphold Mr B's complaint.

### **My final decision**

For the reasons I've explained, my final decision is that I don't uphold Mr B's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 20 February 2026.

Mark Richardson  
**Ombudsman**