

## The complaint

Mr M brings a complaint on behalf of a limited company, M, that he is the director of. M complains that Barclays Bank UK PLC did not reimburse all of the funds it lost to a scam.

### What happened

Mr M found an invest opportunity in cryptocurrency. He began speaking with a company that could help him invest and he made a number of payments to them from both his personal account and M's business account. Eventually, when he was asked to pay significant fees and additional payments to receive his returns but got nothing back, he realised he had been the victim of a scam.

Mr M raised a scam claim to Barclays and they eventually agreed to reimburse 50% of the payments under the Lending Standards Board's Contingent Reimbursement Model ("CRM") Code. This was because they did not think they that met their obligations under the code, but they also recognised that Mr M had misled them about the purpose of some of the payments, and they did not think he carried out enough checks before deciding to invest.

Mr M felt that he should receive 100% of the final three payments which he made from M's business account. This is because Barclays did not intervene in these payments, which he felt were unusual. He therefore referred the complaint to our service for review.

Our Investigator looked into it and asked for some more information about the investment itself. Mr M confirmed it was a personal investment and the funds were being treated as a director's loan. Our Investigator explained that as the payment was made from M's account, M was the eligible complainant under the rules that govern our service. However, as Mr M had used M's funds for a personal investment and this was essentially a director's loan, the loss belonged to Mr M and not M. This therefore meant Mr M was the party that ultimately owed M the lost funds. Our Investigator therefore did not feel it would be reasonable to ask Barclays to reimburse M in the circumstances, as the end loss did not lie with M.

Mr M, on behalf of M, did not agree with the findings. He felt that as he had controlling interest in M, he was able to use company funds for his own benefit. He highlighted this was a director's loan which he was legally entitled to use.

As an informal agreement could not be reached, the complaint has been passed to me for 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.

In cases like this, the usual first step is to consider whether or not a scam has occurred in the circumstances. However, in this case there is an additional consideration, which is how the investment was funded and therefore who has suffered a loss in the circumstances.

The three payments that have been raised as part of this complaint were made from M's business account. It should be noted that M is a limited company, and when a limited company is created, a separate legal entity is created, which means the company is its own legal 'person' with rights and responsibilities that are separate from its owners or

shareholders. M is therefore the 'person' who has a banking relationship with Barclays, so M is the 'person' who is able to raise a complaint with our service.

I do appreciate that the waters are muddied here to an extent, as Mr M also has a personal account with Barclays and therefore also has a banking relationship with them. But when considering the loss, I have to specifically think about who has a banking relationship for the specific payments being complained about. In this case, the complaint is about the three payments made from M's business account, and M is therefore the 'person' who is able to bring a complaint to our service according to the Dispute Resolution (DISP) Rules set out in the FCA Handbook.

So, I am satisfied that M is the correct individual that is able to raise a complaint about the three payments. And it is important to remember that M is a separate legal entity to Mr M, it's director.

I have gone on to consider who has ultimately suffered a loss in the circumstances. Mr M has made it clear that this was a personal investment, and the funds used were a director's loan. M has therefore effectively loaned Mr M the funds lost to the scam, and Mr M therefore owes the funds to M. With this in mind, I think it is more likely Mr M is the individual that has suffered the loss and not M.

If I were to agree in this case that Barclays had made an error and needed to make further reimbursement, I could only consider whether it should reimburse M, as M is the named party to this complaint. However, as explained above, I do not think M is ultimately the 'person' who has suffered the loss. And I therefore cannot ask Barclays to reimburse M in the circumstances.

I appreciate that Mr M may find much of this unfair, given he seems to be losing out because of some technicalities he was completely unaware of. But, for the reasons I've explained, I do not think Barclays needs to reimburse M in the circumstances.

### **My final decision**

I do not uphold M's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask M to accept or reject my decision before 19 January 2026.

Rebecca Norris  
**Ombudsman**