

## The complaint

Miss V complains that Barclays Bank UK PLC didn't do enough to protect her from the financial harm caused by an investment scam, or to help her recover the money once she'd reported the scam to it.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss V was referred by a colleague to an opportunity to invest in cryptocurrency using a platform I'll refer to as "C". She was told she could make returns of up to 200% and that she'd receive higher returns if she recruited others to invest.

Before going ahead with the investment, Miss V reviewed the documentation she'd been given, looked at C's website and watched YouTube videos from C's founders. She communicated mostly with representatives from C by phone and email and wasn't asked to use remote access software.

The broker asked her to first purchase cryptocurrency through her existing cryptocurrency account and then load it onto an online wallet. On 3 November 2021, she made three payments to her cryptocurrency account totalling £14,700. She realised she'd been scammed when she was unable to make any withdrawals.

She complained to Barclays, but it refused to refund any of the money she'd lost stating that the Contingent Reimbursement Model ("CRM") Code didn't apply to payments to accounts in the consumer's own name.

Miss V wasn't satisfied and so she complained to this service with the assistance of a representative who said Barclays should have asked Miss V where she was sending the money and as she hadn't been given a cover story, they'd have realised she was being scammed. They explained that Miss V had believed the investment was genuine because she hadn't invested before and there had been a lot of media coverage regarding cryptocurrency and the returns people were making.

Responding to the complaint, Barclays said Miss V was asked to provide a payment purpose and selected 'paying an invoice' in response to which she was given a warning. It said when she contacted it to discuss the first payment, she confirmed it was genuine, she'd done her own research, she was moving funds to her own cryptocurrency account, she'd invested before, she hadn't been given advice from a broker, she hadn't been told what to say on the call, and she hadn't seen any celebrity endorsements. It said the intervention was effective and her responses prevented it from identifying the scam.

Our investigator didn't think the complaint should be upheld. She noted Barclays had declined the first payment and she was satisfied it had asked probing questions and as Miss V didn't disclose the involvement of C, she didn't think it missed an opportunity to detect the scam.

She commented that it could have given Miss V a warning about cryptocurrency investment scams, but she didn't think this would have made a difference because there was no broker, she'd decided to invest independently, she wasn't asked to install remote access software, and she hadn't seen an online advert or celebrity endorsement. She accepted the returns were too good to be true, but Miss V had said she done due diligence, there was no negative information online, and she'd been given paperwork and checked C's website. So, she didn't think a warning would have made a difference.

Finally, she explained that there were further opportunities to intervene, but Miss V had told Barclays she was intending to send more funds, so she didn't think it was unreasonable that it didn't intervene again. And had it done so, she thought Miss V would have given the same responses and there would have been no reason for Barclays to refuse to process the payments.

Miss V had asked for her complaint to be reviewed by an Ombudsman. Her representative has argued that if Barclays had asked about the end destination of the payments, it would have discovered that Miss V was sending the funds to an unregulated third-party platform. It should then had asked her about the due diligence she'd done and provided a tailored warning, explaining that scammers create realistic-looking platforms and ask people to buy cryptocurrency and send it to a wallet address. And if returns are too good to be true or guaranteed, or you are unable to withdraw or send money for better returns your entire investment, is it a scam.

### **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 conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Miss V has been the victim of a cruel scam. I know she feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

The Contingent Reimbursement Model ("CRM") Code requires firms to reimburse customers who have been the victims of Authorised Push Payment ('APP') scams, like the one Miss V says she's fallen victim to, in all but a limited number of circumstances. But the CRM Code doesn't apply to payments to accounts in the consumer's own name.

I'm satisfied Miss V 'authorised' the payments for the purposes of the of the Payment Services Regulations 2017 ('the Regulations'), in force at the time. So, although she didn't intend the money to go to scammers, under the Regulations, and under the terms and conditions of her bank account, she is presumed liable for the loss in the first instance. There's no dispute that this was a scam, but although Miss V didn't intend her money to go to scammers, she did authorise the disputed payments. Barclays is expected to process payments and withdrawals that a customer authorises it to make, but where the customer has been the victim of a scam, it may sometimes be fair and reasonable for the bank to reimburse them even though they authorised the payment.

### *Prevention*

I've thought about whether Barclays could have done more to prevent the scam from occurring altogether. Buying cryptocurrency is a legitimate activity and from the evidence I've seen, the payments were made to a genuine cryptocurrency exchange company. However, Barclays ought to fairly and reasonably be alert to fraud and scams and these payments

were part of a wider scam, so I need to consider whether it did enough when Miss V tried to make the payments. If there are unusual or suspicious payments on an account, I'd expect Barclays to intervene with a view to protecting Miss V from financial harm due to fraud.

The first payment was £5,000 to a cryptocurrency exchange, so I'm satisfied that Barclays acted proportionately in questioning Miss V before it was processed. Responding to the questions, Miss V said she'd been investing in cryptocurrency for about a year, she'd done her own research, she wasn't using a third-party broker, she'd heard about cryptocurrency from friends and family, she hadn't received any suspicious calls or seen any adverts on social media, she wasn't being coached, she hadn't downloaded remote access software, and she was planning to invest £17,500.

I've thought about whether Barclays did enough during the call and I'm satisfied the questions were relevant and probing and I don't think Miss V's responses gave it any reason to suspect she was being scammed. So, I don't think it was unreasonable for it to have released the payment.

Miss V's representative has argued that she should have been questioned about the end destination of the payment, and I agree that an onwards payment from a cryptocurrency exchange is a red flag. But in circumstances where there were no other obvious red flags present, I don't think it's unreasonable that Miss V wasn't asked this question.

I agree without investigator that as Miss V was sending funds to a cryptocurrency exchange, she ought to have been given a warning about cryptocurrency investment scams, but as she didn't find C online, she wasn't in touch with a broker, and she hadn't been told to download remote access software, I don't think this would have resonated with her in circumstances where she considered she'd done reasonable due diligence and instances of individuals making large amounts of money by trading in cryptocurrency have been highly publicised to the extent that I don't think she'd have considered that the returns were unrealistic.

Finally, I've considered whether there were any further opportunities to intervene and as the payments didn't increase in value and Barclays was on notice that Miss V intended to make payments totalling £17,500, I don't think it's unreasonable that it didn't intervene again. And even if it had intervened, I agree with our investigator that the outcome would have been the same. So, I don't think Barclays missed any opportunities to prevent Miss V's loss.

### *Recovery*

I don't think there was a realistic prospect of a successful recovery because Miss V paid an account in her own name and moved the funds onwards from there.

### *Compensation*

The main cause for the upset was the scammer who persuaded Miss V to part with her funds. I haven't found any errors or delays to Barclays's investigation, so I don't think she is entitled to any compensation.

Overall, I'm sorry to hear Miss V has lost money and the effect this has had on her. But for the reasons I've explained, I don't think Barclays is to blame for this and so I can't fairly tell it to do anything further to resolve this complaint.

### **My final decision**

For the reasons I've outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss V to accept or reject my decision before 24 January 2026.

Carolyn Bonnell  
**Ombudsman**