

## The complaint

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

Mr N is being represented by a third party. To keep things simple, I will refer to Mr N 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 N has told us that he met a lady on social media I will call "X". X claimed to be a trader and she guided Mr N on how to setup an account on a trading platform. X also advised Mr N to open a cryptocurrency exchange account and several wallets.

As part of an investment Mr N made several payments from his Barclays account to a cryptocurrency exchange where it was exchanged into cryptocurrency before being lost to the scam.

Mr N then realised he had been blocked by X on social media and has not been able to withdraw funds from his investment. It is clear Mr N has fallen victim to a scam.

Mr N has disputed the following payments made from his Barclays account:

Payment	Date	Payee	Payment Method	Amount
1	7 May 2024	Payward Ltd	Transfer	£1,500
2	7 May 2024	Payward Ltd	Transfer	£10,000
3	8 May 2024	Payward Ltd	Transfer	£4,000
4	14 May 2024	Payward Ltd	Transfer	£6,000

Our Investigator considered Mr N's complaint and didn't think it should be upheld. Mr N disagreed, 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 N has fallen victim to a cruel scam. The evidence provided by both Mr N and Barclays sets out what happened. What is in dispute is whether Barclays should refund the money Mr N lost due to the scam.

### *Recovering the payments Mr N made*

Mr N made payments into the scam via transfer. When payments are made by transfer Barclays has limited options available to seek recovery.

As the payments Mr N has disputed were made to a legitimate cryptocurrency exchange in exchange for cryptocurrency, and it took further steps for the funds to end up in the hands of the scammer, any attempt to recover the payments would have no prospects of success.

*Should Barclays have reasonably prevented the payments Mr N made?*

It has been accepted that Mr N authorised the payments that were made from his account with Barclays, albeit on X's instruction. So, the starting point here is that Mr N 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 the payments were made. And if it had intervened, would it have been able to prevent the scam taking place.

The payments Mr N made in relation to the scam were significant in value and clearly being made to a cryptocurrency exchange. Considering the increased risk associated with cryptocurrency related payments I think Barclays should have been concerned that Mr N could have been at risk of financial harm and it should have discussed the payments with him to better understand the background that led to him making them.

I can see that Barclays did intervene when Mr N made payments 2, 3 and 4 and multiple calls took place. I have listened to recordings of the calls.

When Mr N made payment 2 for the value of £10,000 Barclays spoke to Mr N over the phone and asked him multiple questions. Mr N confirmed:

- He got the payment details by logging into his own cryptocurrency account.
- He had received a previous payment into his other account and had used those funds to purchase cryptocurrency.
- He was not part of any well-known messaging application groups where he was being influenced to make the payment.
- He was making the investment with a trusted friend.
- He had not given anyone access to his device.
- He had not been told to lie, and he wasn't being blackmailed.

When Mr N made payment 3 for the value of £4,000 Barclays spoke to Mr N over the phone and asked him multiple questions. Mr N confirmed:

- He found out about the investment by studying for a year and had previously been involved in forex trading.
- He was using the funds to buy cryptocurrency with a legitimate cryptocurrency exchange before moving the cryptocurrency to another genuine business to trade.
- He was not dealing with a broker as he didn't trust anyone.
- He had not been promised guaranteed returns and was aware it was a high risk.
- He knew what he was doing after studying for a year.
- He was doing the investment with a friend who was qualified.

When Mr N made payment 4 for the value of £6,000 Barclays spoke to Mr N over the phone on two occasions and asked him multiple questions. Mr N confirmed:

- He was investing in cryptocurrency

- He found out about the cryptocurrency exchange from a friend he had known for 35 years that had been investing for two years.
- He was not dealing with a broker or advisor.
- Once the funds were exchanged into cryptocurrency, he would put that cryptocurrency in his wallet and wait for a rise in price.
- No one had told him to lie to Barclays

Mr N also received a warning about the increase in cryptocurrency related scams on more than one occasion and was warned about the use of messaging applications and social media by scammers.

Mr N has argued that Barclays interventions didn't go far enough and had it done more it would have uncovered the scam and prevented Mr N's loss.

It is generally possible for a business to ask more questions when speaking to a customer about payments they are making but Mr N was not honest with Barclays when it spoke to him.

He was not investing with a friend he had known for 35 years that was qualified and had been investing for two years. Instead, he had opened multiple accounts on the advice of someone he met on social media and had never met in person. He was also not keeping the cryptocurrency and waiting for it to increase in value.

Providing incorrect information to Barclays would and did make it very difficult for Barclays to uncover the scam that was taking place. Had Mr N been honest with Barclays when he was questioned about the payments and mentioned his social media interactions and messaging app conversations, I think it's highly likely Barclays would have intervened further and Mr N's loss could have been prevented.

It's clear to me from listening to the multiple calls that took place that Mr N was willing to give incorrect information to have the payments released. As I don't have enough to say he would have provided any more honest answers if Barclays intervened further, I am unable to say that Barclays missed an opportunity to prevent Mr N's loss, or that it should provide him with a refund.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 6 February 2026.

Terry Woodham  
**Ombudsman**