

## THE COMPLAINT

Mr B's complaint is about Bank of Scotland plc (trading as Halifax).

Mr B is represented in this matter. However, where appropriate, I will refer to Mr B solely in this decision for ease of reading.

## WHAT HAPPENED

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview.

In summary, Mr B says he was deceived by multiple scammers into making card and fund transfer payments to what he believed were legitimate investment opportunities.

Although Mr B is represented, the investigator at first instance spoke directly with him by telephone to better understand his complaint. During that call, Mr B explained that he believed he had been the victim of five separate scams:

- **Scam 1** – Cryptocurrency investment with CoinPro (approximately July 2018 to March 2019), with losses of around £1 million (excluding any credits or returns).
- **Scam 2** – Cryptocurrency investment with F2CPro (approximately May 2019 to February 2022), with losses of around £991,000 (excluding any credits or returns).
  - **Scam 3** (potentially linked to Scam 2) – Cryptocurrency investment with Credit EU Bank.
- **Scam 4** – Coinbase and Ethereum mining (approximately June 2022 to September 2022), with losses of around £306,000 (excluding any credits or returns).
- **Scam 5** – Trading in gold/currency (approximately September 2022 to November 2023), with losses of around £347,000 (excluding any credits or returns).

I do not find it necessary to set out a list of all the individual payment transactions in question. I say this given the volume and the fact that the investigator listed them out in her assessment.

Mr B disputed the above with Halifax. Unhappy with its response, he referred his complaint to this Service.

The investigator set up four separate complaints for Mr B, each with its own reference number. As Scams 2 and 3 appeared to be linked, these were considered together under a single complaint and reference number. The investigator considered all the complaints and did not uphold any of them.

As Mr B did not accept the investigator's findings, all complaints have now been referred to me for decision.

This decision addresses Scams 2 and 3.

## **WHAT I HAVE 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 find that the investigator at first instance was right to reach the conclusion she did. This is for reasons I set out in this decision.

I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

Further, under section 225 of the Financial Services and Markets Act 2000, I am required to resolve complaints quickly and with minimum formality.

### **Key findings**

Having listened to Mr B's telephone call with the investigator, I note some inconsistencies between Mr B's account and that provided by his representatives, particularly in relation to dates, the number of alleged scams and the payment transactions involved. Where possible, I have sought to reconcile these differences by placing greater weight on the information Mr B provided directly to the investigator.

- Given the volume of payment transactions associated with Scams 2 and 3, I have considered them holistically. Having done so, I accept that it is arguable that some of those transactions ought to have triggered Halifax's fraud detection systems, prompting it to intervene to try to protect Mr B from financial harm. That said, I am mindful that any such interventions would likely have been limited. By this stage, Mr B's relevant Halifax accounts had an established pattern of large value payments, often made to the same or similar payees, which is a relevant factor when assessing whether an intervention ought reasonably to have taken place.
- I am not persuaded however that any intervention from Halifax would have made a difference in preventing Mr B's losses. I take the view that, on the balance of probabilities, Mr B would have frustrated Halifax's attempt to intervene to protect him from financial harm. I have reached this conclusion after considering the following factors in the round:
  - Halifax spoke with Mr B by telephone in February 2020 in relation to an attempted £15,000 payment connected to Scams 2 and 3. During that call, the Halifax agent questioned Mr B about the transaction and, being unsatisfied with his responses, required him to attend a branch. The evidence shows that the payment was nevertheless made on 6 February 2020. I therefore find it likely that Mr B attended branch, alleviated Halifax's concerns, and chose to proceed with the £15,000 payment.
  - Halifax spoke with Mr B by telephone in January 2021 in relation to a further attempted payment connected to Scams 2 and 3. During that call, Mr B explained that he was involved in a cryptocurrency investment and was using

a broker. The Halifax agent provided robust warnings about the risks of cryptocurrency investments and the use of brokers. In response, Mr B said that he had met the broker in person and that she was regulated in Cyprus. The agent queried this and indicated that it was unlikely to be genuine. Mr B maintained that he had seen “*categorical proof*” of the broker’s legitimacy and reiterated that he had met her in person. I find that this intervention was proportionate to the risk identified and to the explanations Mr B provided, and it further demonstrates that he was willing and able to reassure Halifax and proceed despite clear warnings.

- Mr B saw apparent profits on the trading platform he was using and also received returns. I am satisfied that these profits and returns would have further reassured Mr B that he was dealing with a legitimate company.
- In assessing how Mr B would likely have responded to interventions in relation to Scams 2 and 3, I consider it important to have regard to the wider context of this complaint. In particular, Mr B fell victim to a number of scams over a sustained period and in close succession. This provides relevant evidence of his mindset at the time and his vulnerability to investment scams of the type concerned. While the specific circumstances of each scam differ, they share a common feature: in each case, Mr B was advised or guided by third parties in relation to investment opportunities. The evidence indicates that Mr B placed significant trust in those individuals and, ultimately, prioritised their assurances over those of Halifax.
- I have listened to more than 20 telephone calls between Mr B and Halifax relating to the scams in question. In a number of those calls, Halifax agents robustly challenged Mr B and provided relevant warnings about investment and cryptocurrency related risks. Despite this, Mr B chose to proceed with his payment transactions and placed greater reliance on the assurances he had received from the scammers. In several calls, Mr B also expressed frustration at Halifax for preventing or delaying payment transactions, and on many occasions raised complaints as a result.
- As each payment transaction proceeded without issue, it would have been reasonable for Halifax to conclude that the activity was legitimate and that Mr B was an experienced investor who understood the nature of the payment transactions he was making.

In my judgment, above factors are cumulatively persuasive. When assessed together, they indicate that had Halifax intervened in the payment transactions related to Scams 2 and 3, it is likely that Mr B would have frustrated such interventions. I am therefore not persuaded that Halifax would, on the balance of probabilities, have been able to dissuade Mr B or prevent his losses by intervening at that stage.

The above points demonstrate that Mr B was heavily influenced by the scammers. Where concerns arose, it is likely that Mr B would have sought reassurance from them, and on the balance of probabilities, that reassurance would have been sufficient for him to proceed.

### **Other points**

- I note that it has been argued that Halifax ought to have invoked the Banking Protocol. From the evidence available, there were several occasions on which Halifax partially applied the Protocol, including asking Mr B to attend branch. I am satisfied of this from Mr B’s submissions and from telephone calls I have listened to

which took place while he was in branch. Having regard to what Mr B told Halifax during those branch interactions, and bearing in mind the type of financial crime the Banking Protocol is primarily designed to address, I would not have expected Halifax to escalate matters further by engaging the second stage of the Protocol, namely contacting the police. In any event, even if the police had been contacted, I am not persuaded, on the balance of probabilities, that this would have prevented Mr B's losses.

- In reaching the above conclusions, I have been mindful of the wider context in which the relevant payment transactions were made. Mr B's payments relating to Scams 2 and 3 took place between 2019 and 2022 and were cryptocurrency related. I recognise that scams involving cryptocurrency were becoming increasingly prevalent at that time. However, the cryptocurrency landscape during that period was materially different from how it later developed. Against that backdrop, I am satisfied that it was reasonable for Halifax to take account of a range of factors relevant to 2019-22 when deciding whether further enquiries or interventions were warranted.
- I am not persuaded this is a case where Halifax, contrary to Mr B's instructions, should have refused to put his payments through.
- Turning to the question of recovery, I am not satisfied that there was anything further Halifax could reasonably have done:
  - Regarding Mr B's card payments, I am satisfied that Mr B had no chargeback rights in relation to his card payments. Chargeback is a voluntary scheme, and firms are under no duty to submit a claim. The scheme operator may adjudicate disputes, but only within narrow scheme-specific rules. The purchase or exchange of cryptocurrency falls outside the scope of the relevant chargeback scheme because the services were delivered as intended, including by any payment processor. As such, any chargeback claim would have had minimal prospects of success, and it would not have been reasonable to expect Halifax to raise one on Mr B's behalf. Alternatively, it would now be too late to raise a chargeback claim.
  - Regarding Mr B's fund transfers, some of them were made from his Halifax account to other accounts in his name. After that point, the funds were either sent directly to the scammers or, if not, should still have been available for Mr B to withdraw. Additionally, because the payments were used to purchase cryptocurrency – and were forwarded in that form – no recoverable balance would have remained.
  - In any event, even if Halifax had taken prompt action once the fraud was reported, the chances of reclaiming any of Mr B's money were minimal given the delay between the payments and the report, and the fact some were international payments. Scammers tend to move their ill-gotten gains immediately to prevent recovery.
- Turning to distress and/or inconvenience, I have considered whether an award is warranted in this matter. Having done so, I am not persuaded that it is. I have not found any errors in Halifax's investigation. Any distress and/or inconvenience Mr B has experienced is a result of the scammers' actions — not Halifax's

## **Conclusion**

Taking all the above points together, I do not find that Halifax has done anything wrong. Therefore, I will not be directing Halifax to do anything further.

In my judgment, this is a fair and reasonable outcome in the circumstances of this complaint.

### **MY FINAL DECISION**

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 May 2026.

Tony Massiah  
**Ombudsman**