

The complaint

Mr C complains about fees charged on his credit card account by Barclays Bank UK PLC, trading as Barclaycard.

What happened

Mr C opened a credit card account with Barclaycard in October 2022.

In November 2022 Mr C made two separate cryptocurrency purchases using his credit card. He was charged a cash transaction fee for each purchase - £59.80 and £88.44. In December 2022 Barclaycard charged Mr C cash interest of £55.08 related to the cryptocurrency purchases.

Mr C contacted Barclaycard in January 2023 and complained about the interest and transaction fees. Barclaycard said that all fees and interest had been applied correctly but agreed to refund the £55.08 interest charge.

Mr C remained unhappy and brought his complaint to this Service. He said he thought buying cryptocurrency was different to carrying out a cash transaction, such as withdrawing money from an ATM. Mr C said he was now aware that buying cryptocurrency incurs a cash withdrawal fee. He asked for a refund of the two cash transaction charges. Mr C also said Barclaycard didn't post or email a copy of the account terms to him when he opened the account.

Our investigator didn't uphold Mr C's complaint. He said Barclaycard applied the fees in line with the account terms and conditions and so didn't need to refund the fees. Our Investigator also said that the terms of the account were readily available online and it would have been reasonable to expect Mr C to check these before using the card.

Mr C didn't agree with what our Investigator said and so this came to me for a 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.

I can see that Barclaycard has already refunded the cash interest it charged Mr C, and he has asked for it to also refund the cash transaction fees. However, I could only ask Barclaycard to refund the fees if I thought it had applied them unfairly. So I've looked at whether Barclaycard's terms make it clear that a cryptocurrency transaction will incur a cash transaction charge, and I'm satisfied they do. I'll explain why I say that.

Under the "*fees that we charge*" section of the terms, it outlines the fees and minimum charge that will apply to cash transactions. What isn't specified in this section is precisely what constitutes a cash transaction in the context of these fees. That information could have helped here – but this is just one section of the terms, which aren't designed to be read in isolation.

So having looked at the terms in their entirety, and I think it's fair to say there's an expectation that consumers would read the terms in their entirety, I think further clarification is provided in the "*Your interest rates*" section. This section outlines the transactions that make up the "*cash balance*" on a credit card, and this includes "*buying digital currencies, including cryptocurrency such as Bitcoin*". So I'm satisfied that the terms provide consumers with a clear outline of what transactions will be treated as cash transactions. And it's also made clear that cash transactions will incur a fee.

Mr C also said Barclaycard hadn't sent him a copy of the terms when he opened the account, and this is why he wasn't aware the cryptocurrency purchase would incur a fee. I don't know whether Barclaycard sent Mr C a copy of the terms, but I can see that the terms are available online. I think if Mr C had wanted to read the account terms – and I've already said there's an expectation that consumers would read account terms in their entirety – then he could have accessed them online.

I understand Mr C's frustration at being charged these fees unexpectedly. But, as I said, I could only ask Barclaycard to refund the fees if they had been applied unfairly, and I'm satisfied that hasn't happened here.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 26 August 2023.

Martina Ryan
Ombudsman