

## **The complaint**

The trustees of a trust that I will refer to as T, complain about Metro Bank PLC's decision not to allow T to make payments to a third-party cryptocurrency-exchange.

## **What happened**

The following is intended only as a brief summary of events.

In 2022, Mr A, a trustee of T, opened a bank account with Metro on behalf of T. Mr A then tried to make a transfer from this account to a third-party cryptocurrency-exchange that I will refer to as G. After this payment attempt failed a number of times, Metro identified that the issue was due to its policy not to allow customers to make transfers to cryptocurrency exchanges.

Mr A was unhappy with this. He explained that the requested transfer was in GBP and of relatively low value, and that the terms and conditions of T's account did not say that such transfers were not allowed. Mr A also pointed out that G is a regulated financial business. He feels that Metro should follow his payment instructions and that it is unfair T has been paying for an account that does not provide it with the required service.

Metro responded to the complaint Mr A raised, explaining that it considers cryptocurrency related payments to be high risk, and has made a policy decision not to allow such transfers. Mr A remained unhappy and brought T's complaint to the Financial Ombudsman Service. However, our Investigator thought Metro had made a decision that it was entitled to make.

Mr A remained unsatisfied and as our Investigator was unable to resolve the complaint, it has been passed 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.

Having done so, I am not upholding this complaint. I'll explain why.

Generally speaking, there is a requirement for a bank to follow a customer's payment instructions. However, this is not a requirement that is without limits. A bank needs to balance this against protecting both individual customers and itself.

This is relevant in T's case because over recent years there has been an increase in fraud and financial crime relating to cryptocurrency related transactions. This includes, but is not limited to, transfers to legitimate regulated financial firms and transfers made in GBP.

For example, a common scenario involves fraudsters purporting to be financial advisers and tricking customers to sending funds to a cryptocurrency digital wallet, from where funds are then taken. Depending on the circumstances, not only can this lead to the customers losing their money, banks can find themselves responsible for having facilitated the transaction and have to refund the money and/or face fines from the industry regulator.

I do appreciate Mr A's comments that the transfer T is attempting to make is being carried out with (what appears to be) full knowledge and consideration by the trust. There does not appear to be a suggestion that the desired transaction is the result of a third-party attempt at fraud. So, I appreciate his frustration. However, Metro has not made its decision specific to this transaction. It has made a bank-wide policy decision not to facilitate these transactions.

I note Mr A's recent submissions about Metro being on the industry regulator's watchlist for financial crime compliance. Mr A has said that this shows Metro has double standards if it has allowed some types of transaction that have led to this concern, but yet is blocking the different type of transaction he is attempting.

I appreciate Mr A's comments. However, whether or not Metro has breached any regulations in respect of other types of transaction, does not mean it should not try to limit the risks it perceives in respect of others. And this action by the regulator demonstrates what Metro considers might have happened had it been allowing transfers to cryptocurrency exchanges. It made its policy in relation to these types of transfer in part to avoid such action by the regulator. The fact that this action has been taken in relation to another area of Metro's business does not invalidate the decision it has in relation to cryptocurrency exchange transfers.

Ultimately, Metro has made a policy decision not to facilitate these transactions. And I consider it is acting within its remit when doing so. Given T's attempted transfer to G was contrary to this policy, it follows that I consider Metro not allowing it was fair and reasonable.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 15 December 2023.

Sam Thomas  
**Ombudsman**