

## **The complaint**

Mr D complains that Monzo Bank Ltd (“Monzo”) have failed to refund over £6,000 that he lost as part of an investment scam.

The details of this complaint are well known to both parties, so I do not intend to repeat everything again here. Instead, I will focus on giving the reasons for my 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 agree with the conclusions reached by the investigator for the following reasons:

- In between 17 June 2020 and 2 July 2020, Mr D authorised around 38 payments to Skrill and MoonPay using his Monzo debit card (via Apple Pay) in order to purchase cryptocurrency, which was subsequently transferred onto the scammer from these crypto platforms. The payments were typically small, with most ranging between £100 to £300, although there were some as low as £5. The highest payment he made in this period was for just over £1,000.
- With this in mind, I’ve considered whether Monzo should have done more to prevent Mr D from falling victim to the scam. as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- However, as I’ve already outlined above, the payments Mr D made to the crypto platforms were for relatively small amounts, such that they would not have appeared particularly unusual in comparison with his normal spending history. I appreciate there were occasions where several payments were made on the same day to Moonpay, which can sometimes indicate a risk of fraud. But by this point, Mr D had already established this legitimate company as an existing payee, whom he had made several payments to before. And given the amounts he paid on the same day were not unusually large, I don’t think Monzo can fairly be held liable for Mr D’s loss here, as I’m not persuaded there was any obligation on them to intervene or prevent the payments in these circumstances.
- I’ve also considered whether Monzo could have done more to try and recover Mr D’s money via a chargeback claim. But a chargeback in this instance would have most likely failed, as the transactions Mr D used his Monzo card for were to pay Skrill and Moonpay (i.e. legitimate merchants) for the purchase of cryptocurrency, which he duly received. The loss he has complained about occurred from these crypto platforms when he paid the cryptocurrency to the fraudulent broker. So, he could not claim that he did not receive the goods or services paid for from his Monzo account; that being the purchase of the cryptocurrency. Therefore, I’m satisfied Monzo did not act unreasonably by failing to raise a chargeback claim for Mr D in such circumstances.

I appreciate this will come as a disappointment to Mr D, and I am sorry to hear he has been the victim of a cruel scam. But for the reasons stated above, I do not consider it would be fair and reasonable to hold Monzo liable for his loss.

**My final decision**

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 31 May 2022.

Jack Ferris  
**Ombudsman**