

## **The complaint**

Mr R complains that Monzo Bank Ltd stopped him from making payments for cryptocurrency. He is also unhappy with the waiting times when trying to contact the bank.

## **What happened**

Mr R says he opened an account with Monzo in July 2021 in order to make payments for cryptocurrency. He says he was having issues making payments to a certain crypto exchange so he contacted Monzo to raise the issue.

Mr R subsequently received a message from Monzo asking him to stop making cryptocurrency payments. Mr R wasn't happy about this and called Monzo. Mr R says he had to wait long periods of time in order to speak to someone. And when he asked for a call back to discuss the matter further, Mr R says no one called him back.

Monzo accepted Mr R had waited a long time when trying to speak to someone over the phone. And so it paid £25 to reflect this. It didn't uphold the complaints about the messaging regarding using cryptocurrency exchanges on the account. Monzo said it had seen an increase in fraudulent behaviour on online cryptocurrency exchange platforms. And so it prohibited cryptocurrency trading on his account.

Mr R wasn't happy with the response received from Monzo and so he referred his complaint to this service. Monzo told us that it shouldn't have told Mr R to stop using cryptocurrency but this wasn't addressed in its final response to his complaint. It offered to pay him a further £50 for the frustration the message had caused. Our investigator looked into things for him. She said although she could appreciate Mr R's frustration with Monzo for blocking the payments she was satisfied it acted within its terms and conditions and didn't think it had treated Mr R unfairly. She also felt the level of compensation offered to reflect the service issues was reasonable and in line with what she would have expected. Mr R wasn't happy with the investigator's view and so the 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.

I would like to assure Mr R that I have read and understood the evidence I have been provided – including listening to the voicemail message he left in response to the investigator's view, and the information provided at the outset of the complaint.

I do understand Mr R's strength of feeling about the bank's decision to prohibit him from making cryptocurrency transactions. However his agreement with Monzo entitles it to do so. My role here is to see whether Monzo have acted fairly and reasonably in line with its terms and conditions and I think it has.

*Prohibiting account activity*

I have looked at the terms and conditions of Mr R's account. I've considered these and they provide that Monzo, *"may block a third-party provider from accessing your account if we think that they're acting without your permission or are being fraudulent. We'll tell you if we do this (unless we're not allowed to by law or it would impact the security measures we have in place to keep your account safe)."* In Mr R's case Monzo said it did so because of its fraud concerns.

Fraud is a significant issue for banks and financial institutions. Monzo is uniquely placed to know and respond to any likely threats. And I think that a requirement to disclose details of the counter fraud measures it might be taking would be self-defeating.

I know Mr R feels the steps taken by Monzo are unreasonable and disproportionate. And isn't happy the measures have been applied to his account but not to other people's. Monzo can decide how it chooses to conduct its business and this isn't something I would normally interfere with. But I have looked into Monzo's reasons, which it doesn't need to disclose to Mr R, and I understand why it has stopped Mr R from trading in cryptocurrency. I find it restricted Mr R's account in line with the terms he agreed to when applying for the account. Monzo also has important legal and regulatory obligations it must meet. Those obligations are ongoing and don't only apply when an account is opened. It is common industry practice for banks to monitor accounts for activity which may fall outside its risk appetite. And accounts will often be restricted to prevent potential losses.

I have carefully considered Monzo's reasons for taking the steps it did. I understand its concern and find its basis for prohibiting those transactions is reasonable and in line with the terms of the account.

#### *Long wait times when contacting the bank*

I can understand Mr R may have been inconvenienced on the occasions he tried to contact Monzo, including not having a call returned and long wait times. I agree it was inconvenient for Mr R and Monzo have apologised for this. It also credited his account with £25 for the inconvenience. And I think this is reasonable in all circumstances of the complaint.

#### *Complaint handling*

Mr R has said he doesn't think Monzo answered his complaint properly and missed some issues. Complaint handling is not something this service can generally consider as it's not a regulated activity. But I can see Mr R was able to provide his complaint points and personal circumstances in detail. And Monzo issued him with a final response letter.

Monzo's written response may not have gone into the level of detail Mr R would have liked, but it did let him know it wasn't upholding his complaint and explained he could refer his matter to our service if he remained dissatisfied.

Overall I know Mr R will be disappointed with my decision but it follows I won't be asking Monzo to take any further action in respect of this complaint. I think £25 paid for poor service and £50 offered for the messaging is reasonable in all circumstances of the complaint.

#### **Putting things right**

Monzo should pay Mr R £50 in addition to the £25 it has already paid him.

**My final decision**

Monzo has already made an offer to pay Mr R an additional £50 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Monzo should pay Mr R £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 18 July 2022.

Kiran Clair  
**Ombudsman**