

The complaint

Mr G is unhappy Monzo Bank Ltd hasn't reimbursed funds he sent to a scam investment firm.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving my 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 these reasons:

- The disputed card payments were sent using Mr G's Mastercard. I agree with our investigator that as he made the payments to an investment scam, Monzo acted fairly in not attempting a chargeback claim for these payments. The chargeback rules Mastercard has set mean that Mr G wouldn't be able to make a successful claim for his situation, and so Monzo shouldn't have attempted one.
- I've looked at the usage of Mr G's account prior to him making the scam payments. I accept he doesn't use this account a great deal. But I can't say that the scam payments were so out of character that they ought to have flagged on Monzo's automated systems.
- Mr G sent smaller payments to the investment at first and then increased the amount he sent over the weeks he was investing. This means he changed what looked normal on his account. While the investment payments from the second week were higher than previous payments made, I don't agree that the value of the scam payments was enough to warrant an intervention in this case. And after these went through, the next payments then seemed more in line with what was now his usual spending.
- The largest payments Mr G were sent back to the account shortly after he made them. But the other payments were unable to be recovered as the funds had gone from the accounts in question. Or were sent to a legitimate cryptocurrency firm and correctly exchanged. So I'm satisfied Monzo did do what it needed to try and recover the funds, but unfortunately this was unsuccessful.

I accept Mr G has been the victim of a sophisticated investment scam. However I don't agree Monzo made any errors in processing the payments he sent. And unfortunately there are no recovery options available for him, so I can't ask Monzo to reimburse the lost funds.

My final decision

For the reasons set out above, I don't uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 October 2022.

Amy Osborne
Ombudsman