

## **The complaint**

Mr B complains that MBNA Limited's actions led to him losing a substantial sum of money to an investment scam and it refuses to refund his loss.

## **What happened**

On or around 6 March 2021, Mr B says he fell victim to a multi-layered scam operation orchestrated by a company I'll refer to as 'the scammers'. Mr B says he made his first transaction to the scammers using his credit card. He says around that time, he noticed a transaction of £193.03 on his credit card statement that he did not recognise. Mr B called MBNA about the transaction, which he says was just a week after he paid the scammers on their website but it didn't occur to him that the payment didn't use the scammers correct details. MBNA refunded the payment Mr B didn't recognise but he says it failed to report to him the outcome of its investigation which he feels could have prevented him sending £26,579.29 via his current account with Bank A.

## **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 don't uphold this complaint and I'll explain why.

I've reviewed MBNA's notes of its telephone contact with Mr B recorded at the time. On 8 March 2021 Mr B used his MBNA credit card to make a transaction to a cryptocurrency exchange. This transaction was blocked and Mr B called the bank to discuss the payment. MBNA told Mr B that the transaction was declined because MBNA doesn't allow cryptocurrency transactions on its credit card accounts. Mr B was advised that he would need to use another method of payment and it says it explained to him that high risk payments were not allowed on its credit cards.

On 12 March 2021, Mr B called MBNA to report a transaction of £193.03 that he did not recognise. MBNA's adviser told Mr B that the company appears to sell trainers, but it accepted his fraud claim and a refund was processed while he was on the call. I do not see any record of MBNA telling Mr B that it would be investigating the company. And I don't think it would have likely told him this as it accepted his fraud claim and refunded the disputed payment.

Mr B's losses suffered via Bank A was investigated as a separate complaint at this service and an Ombudsman found that Bank A was partly responsible for Mr B's losses. But I recognise that Mr B feels MBNA could have prevented the entire loss.

I've considered whether MBNA should have done more to identify that Mr B could be falling victim to a scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular payment. For example, if it was particularly unusual and out of character.

When MBNA blocked Mr B's payment to the cryptocurrency exchange, I do not think it could have foreseen that he was falling victim to a scam. The evidence before me does not suggest that MBNA had any concerns that Mr B could be falling victim to a scam. All it reasonably knew was that Mr B was attempting to use his MBNA credit card to purchase cryptocurrency – which is something it doesn't allow. I therefore think an explanation of this to Mr B was sufficient in the circumstances and it wasn't required to do anymore.

Mr B didn't explain that he was dealing with the scammer during his call with MBNA and not all purchases of cryptocurrency are made as the result of a scam. In my judgement, MBNA wasn't required to provide a detailed scam warning to Mr B in the circumstances and its explanation of why it doesn't allow the purchase of cryptocurrency on its credit cards was reasonable.

I'm also not persuaded that MBNA could have reasonably been aware that the disputed transaction Mr B reported on 12 March 2021 could be linked to the scammers. From MBNA's records, it identified this payment as a payment for trainers, there was nothing that indicated that this was linked to the scammers or part of an investment. I think the action it took at the time was proportionate. It refunded the payment quickly and I don't think it led Mr B to believe that it would be investigating the company.

Overall, I don't think MBNA could have prevented Mr B's losses that occurred via Bank A. Even though it suggested that he make his cryptocurrency purchase on another account, I don't think this can extend to it being held as primarily responsible for the losses he suffered from that account. It couldn't have reasonably foreseen that he was falling victim to an investment scam and in my judgement the losses he suffered don't flow from this event. The payments Mr B made was made from his account with Bank A which is a separate entity to MBNA. Mr B's complaint was appropriately considered against Bank A and there is nothing that connects his allegations against MBNA to the losses he suffered with Bank A.

I appreciate this will likely come as a disappointment to Mr B and I'm sorry that he's still out of pocket to such a cruel scam. However, I'm not persuaded MBNA can fairly be held responsible for his loss.

### **My final decision**

My final decision is, despite my natural sympathies for Mr B's loss, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 15 March 2024.

Dolores Njemanze  
**Ombudsman**