

## The complaint

Mr D via a representative complains that Monzo Bank Ltd (“Monzo”) won’t refund the money he lost to a fake job scam.

## What happened

The details of this complaint are well known to both parties, so I won’t repeat everything again here.

In brief, Mr D fell victim to a fake job scam. I will call the scammer ‘B’. B told Mr D that he would be paid for completing a number of tasks, but he would have to send funds to B via a crypto exchange to unlock these tasks.

In total Mr D made the following payments via Debit Card.

Transaction Number	Date	Amount
1	30 May 2023	£100
2	31 May 2023	£100
3	31 May 2023	£50
4	31 May 2023	£100
5	2 June 2023	£200
6	2 June 2023	£50
7	2 June 2023	£350
8	3 June 2023	£2600
9	4 June 2023	£4500

Our investigator did not uphold this complaint. She thought that Monzo should have intervened and provided a tailored crypto investment warning when payment 9 was made but at the time such a warning would not have included job scams so the warning would not have stopped Mr D from carrying on with the transactions in question.

Mr D did not agree and therefore his complaint has been passed to me to issue 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.

It isn't in dispute that Mr D has fallen victim to a scam here, nor that he authorised the disputed payments he made to B. The payments were requested by him using his legitimate security credentials provided by Monzo, and the starting position is that Monzo ought to follow the instructions given by their customers, in order for legitimate payments to be made as instructed.

However, 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 transaction. For example, if it was particularly out of character for that account holder.

Given the size of the first 8 transactions I don't think that they were unusual enough compared to Mr D's usual account activity to have prompted an intervention from Monzo. I note that there were multiple transactions in a day which in certain situations could be an indication that someone is being scammed. But in this instance given the size of them I don't think that an intervention was merited.

In relation to payment 9 when he attempted to send this larger payment, I would've expected Monzo to show him a tailored warning around cryptocurrency investment scams, as it could see he was sending a higher value payment to a known cryptocurrency provider. I understand it didn't do this. So, I've then thought about whether a warning from Monzo could've prevented Mr M sending this payment.

Having done so, I'm not persuaded it would've prevented Mr M from losing his funds, after all, he wasn't investing in cryptocurrency. He understood he was using the cryptocurrency platform to deposit funds into his account to spend on unlocking tasks from his 'employer'. So, I'm not satisfied the kind of warning I'd have expected at this time wouldn't stopped him from going ahead with the payments. The kind of risk Monzo would've been highlighting simply wouldn't relate to the situation he was in.

So overall I think that Monzo should have done more during payment 9 but I do not think that this would have stopped the scam.

### **Recovery**

I've also thought about whether Monzo could have done more to attempt to recover the payments after Mr D reported the fraud. But the Contingent Reimbursement Model ("CRM") does not apply to debit card payments. In relation to attempting a chargeback Mr D was paying the crypto exchange to essentially send funds from his Monzo account to his crypto account which is what happened. So, as he got what he paid for there are no grounds for a chargeback.

I appreciate this will come as a disappointment to Mr D, and I'm sorry to hear he has been the victim a scam. However, I'm not persuaded that Monzo can fairly or reasonably be held liable for the losses that he said he incurred in these circumstances.

### **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 23 July 2024.

Charlie Newton

**Ombudsman**