

## **The complaint**

Mr G is unhappy that Monzo Bank Ltd (“Monzo”) didn’t reimburse him after he fell victim to a scam.

Mr G has brought his complaint with the assistance of a professional representative. For ease of reading, I will refer to Mr G in the main throughout this decision.

## **What happened**

The background to this complaint is well known to both parties, so I won’t repeat it all in detail here. But in summary, I understand it to be as follows.

In or around October 2023, Mr G has said he heard about an investment opportunity online and through some people he knew, with a company that I’ll refer to as ‘C’. Believing everything to be genuine and wanting to invest, Mr G proceeded and was added to a group on a well-known messaging service and shown how things worked.

He was persuaded to make two payments from his Monzo account, which were payments to a cryptocurrency wallet in his name – with Mr G saying the funds were subsequently sent to C. Payments of £5,460 and £4,200 were made on 20 November 2023. On the same day Mr G received a return from the cryptocurrency wallet, of £1,009.11, which Mr G says was money that he had intended to invest, but didn’t end up going to C.

Mr G has said he was concerned when he was unable to withdraw his money and later saw on the news that C was a scam. He’s said his account with C, along with the account he’d held with the cryptocurrency provider have since been closed.

Mr G raised the matter with Monzo, but it didn’t uphold his complaint. In summary it said it didn’t receive enough information from Mr G to carry out an investigation.

Unhappy with Monzo’s response, Mr G brought his complaint to this service. One of our Investigators looked into things, but didn’t think the complaint should be upheld. In summary, while she thought Monzo ought to have intervened and questioned Mr G about the payments, she didn’t think there was sufficient evidence to say that an intervention would likely have made a difference. Alongside this, she said she hadn’t seen any evidence to show that Mr G did in fact make the payments to C.

Mr G didn’t agree with our Investigator’s view. As agreement hasn’t been reached, the complaint has been passed to me for a final 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.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations (in this case, the 2017 regulations) and the terms and conditions of the customer's account.

However, that isn't the end of the story. Good industry practice required that Monzo be on the lookout for account activity or payments that were unusual or out of character to the extent that they might indicate a fraud risk. On spotting such a payment, I'd expect it to take steps to protect its customer. That might be as simple as providing a clear and timely warning as part of the payment process, or it might extend to making direct contact with the customer to establish the circumstances surrounding the payment.

I can see that Mr G has made the payments (mentioned above) from Monzo to a cryptocurrency exchange, he also received a credit back on the same day, from the same cryptocurrency exchange. But he's not been able to supply any evidence from the cryptocurrency exchange by way of, for example, a transaction history, to show what then happened to the funds that were sent to his cryptocurrency account, or that they were subsequently invested with C and that the money was lost.

Mr G has shared some generic evidence about C, which includes some detail around how the scheme worked and of promotions and rewards that were on offer. As well as this, some information about how withdrawals could be made. But this doesn't demonstrate that Mr G has suffered the loss he's described.

Mr G has said that his accounts with C and the cryptocurrency wallet were closed and everything was shut down, so I understand why he is unable to provide some of the evidence we've requested. He's also said that other than the money leaving Monzo he doesn't have any other proof. But I do need to see sufficient evidence to show that he has suffered a loss and I don't think that I have enough evidence of this here.

I'm mindful that Mr G's representatives strongly believe that Monzo ought to have intervened and that this would have made a difference. But without the evidence to show there is a loss, I can't fairly and reasonably say that Monzo is liable to pay him the refund he believes he's entitled to.

It may be helpful, for the purposes of this decision, to add that Mr G has also provided limited information about how he became involved in the investment, his understanding of how it operated and there is little detail of his interactions with C. With this in mind, I couldn't reasonably reach the conclusion that any intervention by Monzo would have made a difference, as I think to make such a finding would be unreasonably speculative, given the lack of information about what Mr G may have known or thought at the time.

I've also thought about whether Monzo could have done more to attempt to recover the payments after Mr G reported the fraud. However, as part of the scam, the funds were forwarded on to the fraudsters from the crypto exchanges that they were sent to. So once Mr G had done that, there was then no money in the receiving account to recover.

I know my decision here will come as a disappointment to Mr G, but for the reasons explained I can't fairly or reasonably say that Monzo should reimburse him.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or

reject my decision before 10 October 2025.

Stephen Wise  
**Ombudsman**