

## **The complaint**

Mr O complains that Monzo Bank Ltd won't reimburse him with the money he lost to a scam.

## **What happened**

In the period from 20 October 2020 to 7 November 2021 Mr O used his Monzo account to make six card payments totalling £920.12 to two cryptocurrency providers. He then transferred the money to an investment, which later turned out to be a scam.

In November 2024 Mr O asked Monzo to refund his money, under the Contingent Reimbursement Model (CRM).

Monzo said Mr O's payments didn't fall under the CRM because they were card payments made to accounts in his name. It didn't think it should have intervened with any scam warnings and said that couldn't reasonably recover his money.

Mr O asked this Service to look into his complaint. He also complained to us about scam payments he'd made from his high street bank, which I'll call S, and which we've considered separately.

Our Investigator said the disputed Monzo card payments didn't fall under the scope of the CRM. He didn't think any of Mr O's six payments looked suspicious such that Monzo ought to have made additional checks before processing any of them. He said Monzo couldn't reasonably have recovered Mr O's money.

Mr O said he didn't agree with the Investigator's view and asked for an Ombudsman's review.

## **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.

This decision is confined to Mr O's complaint about Monzo. His complaint about his high street bank S will be decided separately.

It isn't in dispute that Mr O authorised the disputed card payments. He is therefore presumed liable in the first instance. Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Monzo ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

In saying this I am aware that banks and Electronic Money Institutions (EMIs) should have been aware of the risk of cryptocurrency scams since at least January 2019 as the Financial Conduct Authority (FCA) and Action Fraud published warnings about them in mid-2018. But

at the time Mr O made the payments banks and EMIs didn't need to automatically treat payments to cryptocurrency providers as carrying a significantly heightened risk of fraud.

There's a balance banks and EMIs need to strike between identifying payments that could potentially be fraudulent and allowing customers ready access to their funds. Not all crypto-related payments are made as a result of a fraud or scam.

Mr O's payments don't fall under the CRM because they are card payments made to accounts held in his own name. But we can consider whether Monzo ought to have identified that Mr O was at a heightened risk of fraud and whether it should fairly have intervened.

I've reviewed Mr O's account and the payments he made to the cryptocurrency providers. Having considered when the payments were made, their value and who they were made to, I'm not persuaded Monzo ought to have made enquiries of Mr O before processing them.

Mr O made the payments over a period of more than a year. I don't think any individual payment was a particularly large amount such that it ought to have raised suspicions for Monzo.

Finally, I don't consider Monzo could have successfully recovered the payments, as Mr O had authorised them and they'd been used to purchase cryptocurrency many years before he raised his complaint.

I am sorry to hear that Mr O has lost money to a scam. But for the reasons I've explained I can't fairly require Monzo to compensate him in full or in part.

### **My final decision**

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 28 October 2025.

Amanda Maycock  
**Ombudsman**