

The complaint

Mr T complains Monzo Bank Ltd ('Monzo') hasn't reimbursed him after he fell victim to a cryptocurrency investment scam.

Mr T's complaint is brought through professional representatives. But for ease I'll refer to Mr T throughout this decision.

What happened

Between the period of April and May 2024, Mr T fell victim to a cryptocurrency investment scam. His losses amounted to around £19,000 after Mr T made nine debit card payments to a cryptocurrency exchange from his Monzo account.

Our investigator initially reviewed Mr T's complaint and rejected it on the basis that there was insufficient evidence to persuade her with any degree of certainty that Mr T had fallen victim to a scam. All that she could be satisfied with was that Mr T made purchases of cryptocurrency with a legitimate cryptocurrency exchange.

Mr T responded providing evidence in support of his claim that he had fallen victim to a cryptocurrency investment scam. He was able to supply the alleged investment platform screenshots, relevant emails and chats with the scammers. As such he asked that his complaint be reconsidered.

Our investigator reviewed the additional information provided and whilst she was satisfied there was evidence Mr T had fallen victim to a scam, she wasn't persuaded that Monzo should be liable for his loss.

As agreement couldn't be reached, the case has been passed to me to decide.

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.

I should firstly say that I'm very sorry to hear that Mr T has been the victim of such a cruel scam and lost a significant amount of money here. And I'm mindful that when Mr T first reported his claim directly to Monzo it was alleged that he was unaware of the disputed transactions. However, in response to our investigators original investigation it was confirmed that Mr T was making these payments and in fact made the argument that Monzo ought to have intervened as they were high value payments with half of them being over £3,500 each. As such I'm satisfied that it isn't in dispute that Mr T authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Monzo is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

The question I have to consider here is whether Monzo should have identified a risk of financial harm through fraud or identified the risk of a scam and intervened when Mr T made the payments. And if it had intervened, would it have been able to prevent the scam from taking place and Mr T's losses.

I'm in agreement with our investigator, having reviewed the first four disputed transactions I'm not persuaded there is anything about those payments, even if going to a cryptocurrency exchange, that ought to have looked suspicious to Monzo. The four debit card payments were spread out over a period of nine days with values of £200, £1,000, £1,000 and £1,800. However, when Mr T made a payment of £3,780 I would have expected to have seen an intervention from Monzo. I can't see that it considered questioning this payment or have provided sufficient evidence to persuade me they shouldn't have intervened or that the payment wasn't unusual, and it wasn't proportionate for them to intervene. I also would have expected the same by the time Mr T was making either of the final two disputed transactions of £4,140 and £4,145.

I've then considered whether an intervention, either automated or human, would have prevented Mr T making the payments he was to the cryptocurrency exchange.

In this case and for much the same reasons as our investigator, I'm not persuaded that it would have. I say this following thorough review of Mr T's interactions with the scammer. I don't seek to repeat the entire content of those scam chats in my decision here as Mr T has these available. But what's clear to me is that Mr T had not known the scammer for very long, yet he considered they were in a serious romantic relationship and trusted the scammer implicitly. The scammer influenced Mr T throughout with him regularly sharing exactly what he was doing at every moment when he believed he was 'investing'. He was also willing to apply for a loan whilst under the spell of the scammer and borrowed funds from friends in order to facilitate continuing to make more payments towards the scam.

I also noticed that even when Mr T began to question whether it might be a scam, he continued to be reassured by the scammer and went on to make several further payments at that stage. And even when Monzo began to question Mr T about the source of his funds that were made towards the scam, he told the scammer what was happening. And he asked the scammer directly about this explaining that he didn't want to believe it and that he genuinely loved her and wanted to spend his future with her. Mr T proceeded to tell the scammer that even if it was true – that it was a scam, he said he wouldn't be mad and that he still loved her the same. Yet even in that moment, Mr T still remained under the spell of the scammer and continued to communicate with them regularly for almost two months. And what's most concerning is that even by that stage, Mr T had appointed his professional representatives to pursue his complaint with Monzo, yet he still continued communicating with the scammer. Although Mr T had no funds remaining that could be lost to the scam, he was still willing to try other means and told the scammer that he was trying other bank accounts.

Having considered the above, although I think Monzo should have put interventions in place, I don't think it would have made a difference here. I'm persuaded that Mr T is most likely to have reverted to the scammer on how to answer any questions he might have been asked or would have found other means of continuing to make the payments at the instruction of the scammer. And I'm also very mindful that when Mr T had an opportunity to tell Monzo exactly what he was doing, he wasn't even truthful about what was going on then, instead notifying them that he did not recognise the disputed transactions.

I can only ask Monzo to reimburse Mr T if I find that any wrongdoing on its part caused his loss. And given the spell that Mr T was under by the scammer, I'm not persuaded he would have acted any differently.

I've considered whether there are any ways Monzo could have recovered Mr T's money, but I don't consider it could have. Mr T bought genuine cryptocurrency with the funds which he sent on as part of this scam. So he did receive what he paid for, even if he then lost it due to the scam.

In conclusion, I recognise Mr T has been the victim of a cruel scam and I'm very sorry he's lost a large sum of money. I realise the outcome of this complaint will come as a disappointment, but for the reasons I've explained, I won't be asking Monzo to make any refund.

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 T to accept or reject my decision before 10 October 2025.

Mark O'Connor
Ombudsman