

## The complaint

Mrs B complains that Monzo Bank Ltd won't refund the money she lost when she was the victim of a scam.

## What happened

In February 2025, Mrs B saw an advert for a cryptocurrency investment company on a social media platform. She followed the link in the advert, filled in her details on a contact form, and was then contacted by someone from the company. Mrs B was given access to the company's trading platform, where she could see live trade information and the balance of her investment. And she was shown how to purchase cryptocurrency and send it on to the platform.

Mrs B then made a number of payments from her Monzo account to purchase cryptocurrency, which was then sent on to the investment company's platform:

Date	Details	Amount
4 February 2025	To cryptocurrency exchange	£300
6 February 2025	To cryptocurrency exchange	£2,600
11 February 2025	To cryptocurrency exchange	£2,300
12 February 2025	To cryptocurrency exchange	£3,000

Unfortunately, we now know the cryptocurrency investment company was a scam. The scam was uncovered after Mrs B was unable to withdraw the money the platform showed she had made. She then realised she had been the victim of a scam and reported the payments she had made to Monzo.

Monzo investigated but said it had executed the payments in line with Mrs B's instructions and didn't agree it had breached any duty it owed her. So it didn't agree to refund the money she had lost. Mrs B wasn't satisfied with Monzo's response, so referred a complaint to our service.

I sent Mrs B and Monzo a provisional decision on 14 November 2025, setting out why I wasn't intending to uphold the complaint. That provisional decision forms part of this final decision and is copied below:

*"Banks are expected to make payments in line with their customers' instructions. And Mrs B accepts she made the payments here. So while I recognise she didn't intend for the money to ultimately go to scammers, she did authorise the payments. And so the starting position in law is that Monzo was obliged to follow her instructions and make the payments. So Mrs B isn't automatically entitled to a refund.*

*The regulatory landscape, along with good industry practice, sets out requirements for banks to protect their customers from fraud and financial harm. So, in line with this, I think Monzo should fairly and reasonably:*

- *have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;*
- *have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;*
- *have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;*
- *in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;*
- *have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.*

*But, even if Monzo had recognised that Mrs B was at heightened risk of financial harm from fraud when making some of these payments, I don't think the action I would have expected it to take would have prevented her loss. I'll explain why below.*

*I'm satisfied Monzo ought to have recognised that Mrs B was at heightened risk of financial harm from fraud by at least the point she tried to make the fourth payment here, for £3,000 on 12 February 2025. This payment was for a significant amount and, at this point, Mrs B had tried to make four payments of increasing amounts to the same payee – which is a pattern of behaviour often seen when customers are falling victim to a scam. The payments were also identifiably related to cryptocurrency which, around this time, I think Monzo ought to have recognised meant they carried an elevated risk of being related to a scam.*

*I think a proportionate response to the risk I think Monzo should have identified would have been for it to ask Mrs B a series of questions to attempt to establish the circumstances surrounding the payment, and then to show her a written warning to address any risks it identified. But, had it done this, I'm not satisfied it would have prevented Mrs B's loss.*

*I've thought very carefully about this and I think it's a finely balanced matter in this case. But where the evidence available is unclear or inconclusive, I must make my decision on what I think is more likely to have happened, based on the evidence I do have.*

*In her communication with the cryptocurrency investment company, Mrs B is told it is important not to mention to her bank that she is dealing with a trading company and should instead say they are her own personal funds being transferred between wallets. And Mrs B's reply suggests she will follow this instruction.*

*Mrs B was also told not to tell her family she was investing with cryptocurrency. And from her replies to the investment company and what she's told our service, it appears she agreed not to tell her family because they might be sceptical and might think she was the victim of a scam.*

*Mrs B had therefore expressed a willingness to mislead both her bank and her family, and to do so specifically to avoid the suggestion that she might be the victim of a scam. So even if Monzo had asked Mrs B questions about the payments she was making, I think she would likely not have given it accurate or complete information about the purpose or circumstances surrounding them – as she indicated to the investment company she would do to both her bank and her family.*

*And so I don't think it's likely Monzo would have had significant concerns following the answers it got to its questions. And I don't think any warning I would then have expected it to show her would have impacted Mrs B's decision to continue making the payments. So I don't think anything I would reasonably have expected Monzo to have done here would have stopped Mrs B from making the payments or losing the money she did.*

*I recognise that Mrs B has been the victim of a cruel scam and that my decision will come as a disappointment to her. She has lost a significant amount of money and I sympathise with the position she has found herself in. But I can only look at Monzo's responsibilities and, for the reasons I've set out above, I don't think anything I would reasonably have expected it to have done would have prevented the loss she suffered.*

*And so I don't currently think it would be fair to require Monzo to refund the payments Mrs B has complained about here."*

I said I'd consider anything further Mrs B and Monzo sent in following the provisional decision, provided it was received by the deadline given.

### **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.

Monzo responded to the provisional decision, accepting the outcome and saying it didn't have any further information or comments to add.

Mrs B responded that she didn't agree with the provisional decision. She said that not telling her family about what was happening didn't show a willingness to mislead the bank, and that she was told the initial amounts were so small they wouldn't be worth mentioning, rather than that she was told not to speak to her family about substantial sums of money. She also said that the health problems she was experiencing at the time weren't mentioned.

But when she's discussing whether to tell her family in her communication with the cryptocurrency investment company, Mrs B specifically mentions not telling them because they will be sceptical about what she is doing. So I think this suggests she is aware that not telling her family about what she is doing is being done for the purpose of avoiding any concerns they may have about the investment. Mrs B also specifically says she will tell her family when she has a significant profit to show them. And, at this point, Mrs B has also already discussed doubling her investment in the near future. So I also don't think the discussions were only about initial small amounts, as she has suggested.

As I mentioned in the provisional decision, Mrs B is also told by the cryptocurrency investment company that it is important not to mention to her bank that she is dealing with a trading company and should instead say they are her own personal funds being transferred between wallets. And her reply suggests she will follow this instruction. And I think this does suggest a willingness to mislead her bank.

I also appreciate that Mrs B has mentioned a number of health problems and medical conditions, as well as personal circumstances, which were affecting her at the time she fell victim to this scam. And my intention isn't to diminish the severity of her conditions and I don't underestimate the impact these problems and her personal circumstances had on her. But I don't think her circumstances at the time were such that I would have expected Monzo to take significantly different action than that I explained in the provisional decision.

And so I still think the conclusions I set out in the provisional decision are correct, and for the same reasons. I sympathise with the position Mrs B has found herself in and I recognise that this decision will come as a disappointment to her. But I still don't think anything I would reasonably have expected Monzo to have done would have prevented the loss she suffered, or that it would be fair to require it to refund the payments she has complained about here.

### **My final decision**

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 2 January 2026.

Alan Millward  
**Ombudsman**