

The complaint

Mr S complains that Monzo Bank Ltd, trading as Monzo, won't refund the money he lost to an investment scam. Mr S is represented in this complaint, but I'll refer to him as it's his complaint.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

The information on what happened is limited. Mr S says he was contacted by someone on a social messaging app, and they told him about a profitable liquidity mining investment with a fake company – called Company X.

On 18 and 19 October 2023, Mr S invested £8,995 and £8,000 respectively. After taking out a loan with Bank H and making card payments from his Monzo account to Firm M (a well-known crypto exchange) he made these two payments to Company X.

Mr S explains that he was told his investment would increase by about 20% and he could see the investment going up (to approximately £50,000). He only realised it was a scam when he wanted to make a withdrawal and, to do this, he was required to invest more money.

Mr S complained to Monzo in 2025, seeking a full refund, as he believes interventions from them would've prevented his loss. However, as the scammer had deleted the account, he was unable to take screenshots or retrieve any of the messages.

Monzo declined his claim as the payments to the scammer were made by card and from Firm M, so Mr S brought his complaint to our service. But our investigator said there was insufficient evidence, and she couldn't be satisfied that the funds were lost to a scam.

As Mr S remains dissatisfied his complaint has been passed to me to look at.

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.

Having done so, although I don't disbelieve Mr S account of what happened and am very sorry to hear about his financial loss, I've reached the same outcome as our investigator, for broadly the same reasons. And I'll explain why I'm not upholding this complaint.

The starting point at law is that the account holder, in this instance Mr S, is responsible for any transactions made from his account which are properly authorised. This is set out in the Payment Service Regulations (2017) and confirmed in Monzo's account terms and conditions and there's no dispute here that the two transactions were properly authorised.

However, there are other considerations that might apply to complaints involving a scam, through the application of best practice and industry standards. There is also the Lending Standards Board's Contingent Reimbursement Model (CRM) Code, which was in place in

2023, and can apply to some payments made – other than card payments – as a result of a scam.

Although I've taken Mr S's testimony into account, and information from other banks in the payment chain, I'm not satisfied there is enough evidence to establish a scam or any of the specifics that might possibly surround it. Mr S hasn't been able to provide evidence on the actual investment to show what was agreed, what returns were expected, how they were to be paid and to whom. Also, there isn't any record of paperwork or communications with anyone connected to the alleged scam.

Although I'm satisfied that he made investment payments from his account to Company M, I can't be satisfied that the ultimate beneficiary of the funds was to a scammer as a result of the alleged scam. With so little evidence and without being able to establish a scam, I can't fairly or reasonably direct Monzo to refund Mr S the disputed transactions. And as the scam evidence is a major issue here, I've not gone on to investigate or make findings on Monzo's actions.

So, having noted the opportunities given to provide further information and considered all the available information on file, I'm sorry to disappoint Mr S but I don't think it would be fair or reasonable to uphold this complaint against Monzo Bank Ltd.

My final decision

My final decision is that I'm not upholding this complaint against Monzo Bank Ltd trading as Monzo.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 March 2026.

Paul Douglas
Ombudsman