

The complaint

Mr M complains that Monzo Bank Ltd has unfairly refused to refund him money he says he lost in an investment scam.

Mr M is being represented by a professional representative, but for ease of reading I've just referred to Mr M.

What happened

The circumstances surrounding Mr M's complaint are well known to the parties, so I haven't set them out in detail here. Instead, I've summarised what I consider to be the key points.

Mr M says he saw an advertisement on social media, promoting an investment scheme. Some weeks later, a friend mentioned that they had invested in the scheme and this encouraged Mr M to invest.

Most of the communication Mr M had with the representatives of the investment company was through a popular messaging application and online conference calls. In those messages and calls, he says he was told returns on his investment would be 5% per day. Mr M says he carried out some research, checking the company's website, reading articles and online reviews and was persuaded the investment was legitimate.

Mr M explains that he was told to open a cryptocurrency account in order to make payments to an investment account. The payments to the investment were made from 8 October – 22 November 2023, through a series of 60 debit card payments from his Monzo account to two cryptocurrency accounts in his name. The money was converted into cryptocurrency and then transferred on to the investment company. The money he transferred from his Monzo account was not all his own money. He says it was money from friends and family, which he was to invest collectively on their behalf, but he invested over £10,000 of his own money and invested £58,666.50 in total.

He says he received some initial returns but reinvested them. He says he realised this was a scam when he was unable to make any further withdrawals.

Mr M complained to Monzo in 2025, but it didn't uphold his complaint and so he brought his complaint to us. He says Monzo didn't do enough to protect him from fraud. The payments were highly unusual and out of character for his account and he considers Monzo should have intervened in them. He thinks Monzo ought to have asked probing questions about the payments and if it had done so, Monzo would have quickly established that Mr M was likely being scammed. If Monzo had warned him about cryptocurrency investment scams, he says he wouldn't have proceeded because he had no experience of cryptocurrency investment and would have relied on Monzo's guidance.

Monzo says it hasn't seen enough evidence to persuade it that Mr M has been the victim of a scam. It also notes that most of the money Mr M says he lost wasn't his, as he had used other people's money to invest. Monzo explained it hadn't been able to raise chargeback claims for the card payments Mr M made, because these payments were authorised and the

funds successfully credited Mr M's accounts with legitimate cryptocurrency exchanges. In those circumstances, it said it lacked appropriate chargeback rights under the card scheme rules. It added that it had intervened in October 2023 and declined a payment. It then carried out an internal review but determined the payment wasn't sufficiently concerning to take further action.

Our Investigator considered Mr M's complaint but didn't think it should be upheld. The Investigator said there was not enough evidence to show that Mr M had invested with the investment company. He hadn't provided any evidence showing contact with scammers, such as copies of emails or messages to or from the scammers or contractual or marketing documents, for example. The Investigator also noted the cryptocurrency statements Mr M had provided didn't contain any information that appeared to link it to Mr M, such as an account number or name.

Mr M didn't accept the Investigator's conclusions, and he asked for his complaint to be passed to an ombudsman for a decision. He said his testimony and recollections were evidence. On balance, he thought he had provided enough evidence to show he'd been the victim of a scam. He had provided evidence showing he had sent money to cryptocurrency accounts which had then been transferred on rapidly, which is indicative of a scam. The lack of supporting evidence wasn't his fault, as he has changed his phone and was unable to retrieve some information, such as evidence of messages.

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 read and considered everything that's been provided to me, I'm not persuaded I can safely conclude that Mr M lost the money he claims as a result of an investment scam. I'll explain why.

Mr M says he has been the victim of an investment scam and he has provided his recollections of what happened when he invested between October and November 2023. I accept Mr M's recollections are evidence which I've taken into account when deciding his complaint. However, I also need to be satisfied that he's suffered the losses he's claimed for. Mr M hasn't been able to provide much by way of evidence which supports his testimony. For example, he hasn't been able to provide any copies of messages he exchanged with the scammers, documents from the scammers showing their involvement, or other supporting evidence to show which company he was investing with. On the other hand, he has told us the name of the company that he believes was responsible for the scam and there is information online that suggests that it was operating a scam. He has also been able to provide some limited evidence that he bought cryptocurrency and sent it on from cryptocurrency wallets.

One of the payments into Mr M's Monzo account has the investment company's name as the payment reference. This can be seen on his Monzo account statements. This appears to have been a payment from one of Mr M's friends or family. One of Mr M's cryptocurrency exchanges also told us that a friend of Mr M complained to it and also mentioned the name of the same investment company. These references at least appear to provide some supporting evidence that Mr M's friends were sending him money to be invested with the investment company he says he invested with.

While I agree with Mr M that his recollections are evidence, and I have taken his recollections into account, along with everything else, overall the evidence isn't sufficient to persuade me that there is a clear link between the payments from Monzo to the investment

company. Mr M's recollections aren't particularly detailed, which is perhaps unsurprising as the scam took place around 18 months before he complained to Monzo. And while I understand that phones are frequently changed and emails are sometimes deleted, I would expect there to be some direct evidence of the involvement of the investment company. This might be an email from the scammer when he registered with them, or online meeting invites, as he mentions most of the communications were conducted by online conferencing.

The lack of supporting evidence about what was said and discussed with the scammer also makes it difficult to determine the extent to which Mr M perhaps ought to have realised this was a scam, or whether he missed clear warning signs that it might be a scam. That means it is difficult for me to determine whether Mr M should bear any responsibility for his loss and if so, to what extent.

The evidence from his cryptocurrency exchanges is very limited too. For example, one set of statements doesn't show Mr M's name to confirm it is his account, and it doesn't give any details of the wallet(s) the cryptocurrency was withdrawn to.

We have obtained another set of statements from Mr M's other cryptocurrency exchange, which show cryptocurrency was withdrawn into multiple third-party wallets, which may not be indicative that all the funds were sent to a single investment account with a scammer. The reference on at least one of the withdrawals listed in those cryptocurrency statements is the same name of an individual who sent money to Mr M's Monzo account, which suggests that withdrawal might not have been paid out to the scammer but was withdrawn to the account of a family member or friend.

The combined amount of the cryptocurrency transactions, shown in the cryptocurrency statements provided, is considerably smaller than the amount Mr M is claiming for. One set of statements shows USDT withdrawals from a cryptocurrency account totalling around USDT 41,593 and the other cryptocurrency account statements show deposits totalling £8,245.02 were made, converted to cryptocurrency and withdrawn. This is against the considerably larger amount of £58,666.50 which Mr M says was sent on to the scammer from Monzo via his cryptocurrency accounts.

Mr M also says most of the money invested was not his but belonged to family and friends and this was a pooled investment, rather than a loan. He's told us that no money has been repaid to the other investors by him and there's no formal agreement between them that requires him to repay them. I appreciate that must put him in a very difficult and distressing position with his friends and family, but it also raises further difficulties in determining the amount of any loss he has suffered and whether, even if his complaint was upheld, Monzo should refund that money to him.

I accept it is possible Mr M has been the victim of a scam and that he has lost the amount of money he has suggested. But overall, in the absence of sufficient evidence to show that Mr M invested with the company he says he invested with, the absence of evidence to show how much he has lost and to what extent he might have failed to take steps to protect himself, I'm not persuaded there is sufficient evidence for me to uphold Mr M's complaint. I can't say that Monzo failed to protect him from fraud here when I am not persuaded the evidence is sufficient to show he has been the victim of fraud, nor am I persuaded Monzo should refund him when it is not clear what his loss might be.

My final decision

I don't uphold Mr M's complaint.

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

reject my decision before 27 February 2026.

Greg Barham
Ombudsman