

## **The complaint**

Mr F complains Monzo Bank Ltd didn't do enough to protect him when he fell victim to an investment scam.

## **What happened**

Mr F has an account with Monzo and other businesses who I'll refer to as "R" and "B" respectively throughout the rest of this decision. He's been a customer of Monzo since 2022.

Mr F says he'd been interested in cryptocurrency for some time but had never been confident enough to go ahead and trade. He says he then saw an advert on a well-known social media platform about a company that helped people to buy and sell cryptocurrency. He says he clicked on the advert and gave his details and received a call from someone saying that they were from the company in question. Mr F says he was assigned an account manager and was added to a large group chat when he asked if there was any way of verifying that the investment was successful. He says this reassured him and that he opened a cryptocurrency wallet and a trading account on the investment company's platform. He was, in fact, speaking to scammers.

Mr F says he was told that the minimum amount he'd need to invest was \$1,000 which he was happy to do. He paid this from his account with Monzo on 15 August 2023. Mr F says he invested more as his confidence grew. In November 2023 he was told that the £10,000 he'd invested in August 2023 was worth \$1.5 million – at this point he decided to make a sizeable withdrawal. He says he was told he'd need to pay fees to do so – initially to withdraw the money and then to unfreeze his account given the size of the withdrawal he'd tried to make. Mr F sent just over £36,000 to the scammers in total – funded from his savings, a loan he took out from B and money from friends and family. He sent approximately £30,000 from his account with Monzo spread across a number of payments and approximately £6,000 from his account with R. Mr F says he realised he'd been scammed when the people he was speaking to ceased all contact with him and the website he was logging onto was no longer available. He contacted Monzo, B and R to see if he could get his money back.

Monzo looked into Mr F's claim and said that all the payments had been authorised by him and sent to a cryptocurrency wallet in his own name so it couldn't refund him. Mr F wasn't happy with Monzo's response and complained to our service. He wasn't happy with B's response or R's response either.

One of our investigators looked into all three of Mr F's complaints and didn't recommend that any of them be upheld. They said that Mr F had received proportionate warnings from B and R but had nevertheless gone ahead with his payments. They didn't, therefore, think that any of the businesses had missed an opportunity to prevent further losses to Mr F and that there was nothing more they could have done to recover his money. Mr F wasn't happy with our investigator's recommendations and asked for his complaints to be referred to an ombudsman. His complaints were, as a result, passed to me.

## **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 can see that Mr F first made a payment to cryptocurrency from his account with Monzo in April 2023. That payment was for £20 and wasn't anything to do with this scam. He then made a payment of \$1,000 from his account with Monzo in August 2023 – just over £800 – to a different cryptocurrency provider which is the first payment he made in relation to the scam he's complaining about and another payment to a different provider on 2 November 2023. For the purposes of this decision, I'm going to ignore a £0.10 tester payment he made on the same day. I wouldn't have expected Monzo to have intervened in relation to either of these payments as they weren't unusual or concerning. I agree with our investigator that the £6,562.77 payment Mr F made on 10 November 2023 was unusual and that Monzo should have intervened. I'm satisfied, however, that by this stage Mr F had already received a really clear warning from B about the cryptocurrency investment scams and hadn't answered all of B's questions as honestly as he could have done. Mr F has told us that the scammers he was speaking to had told him how to answer certain questions or what information to provide when making the payments he's now complaining about. In other words, he was coached. I accept that he was coached and that's why he wasn't as honest as he could have been. More importantly, I've listened to the call Mr F had with B before he made before the £6,562.77 mentioned above. I've also listened to a later call that Mr F had with B during which the agent again gave Mr F very clear warnings about cryptocurrency investment scams, despite which he went ahead with the payments he wanted to make. R also gave him clear warnings. In the circumstances, whilst I accept that Mr F has been scammed, I agree that it wouldn't be fair to hold Monzo liable for his losses as I agree that there was nothing it could have done to prevent Mr F from making the losses he's made, or to recover his money.

## **My final decision**

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 19 December 2024.

Nicolas Atkinson  
**Ombudsman**