

The complaint

Mr M complains Revolut Ltd recorded a marker against him on a fraud database and closed his account. He doesn't think it's treated him fairly.

What happened

A summary of what happened is below.

Mr M opened an account with Revolut in April 2025. In May, it was credited with several thousands of pounds from a trading company, through bank transfers. Some of the funds were transferred out of the account shortly afterwards, including to Mr M himself. However, the incoming payments were later reported as fraudulent to Revolut.

Revolut restricted the account and requested information to support why Mr M had received the payments and was entitled to the funds. In response, he submitted transaction records. Revolut reviewed these, including the fraud report and decided to file a misuse of facility marker at Cifas, as it believed he had been complicit in receiving fraudulent funds. It noted that of the around £9,000 that had been received, Mr M had only transferred a portion of it, and he didn't have any messages to show how the transactions had come about either.

Revolut closed the account and returned the funds it had managed to recover to the sending bank.

Mr M found out about the marker and complained that he'd not done anything to cause this. He said he'd been a victim of a trading scam and wasn't aware of anything fraudulent. He explained,

"I was introduced to the platform by someone I met on Telegram who claimed to be an experienced trader. He offered to mentor me and guided me through setting up a CMC account in my name, saying he would manage the trades and teach me the process. At the time, I trusted him and believed I was getting involved in a legitimate learning arrangement. He told me that these deposits were part of the initial setup process for the trading plan, a kind of test to make sure withdrawals would go through smoothly before the trades started. When I asked where the money came from, he said it was earlier investments for trading clients, but didn't give much detail. I didn't fully understand how the money was being moved, but I didn't think it was suspicious at the time."

Revolut requested some further information but ultimately didn't think it had made a mistake in the steps it had taken. Dissatisfied, Mr M contacted us to challenge the decision. He said he hadn't had any proper justification for the fraud marker (including sight of the information it had relied on) and this was affecting him financially and personally. He believed his treatment had been unfair.

One of our investigators looked at the case and gathered some further evidence. She acknowledged what Mr M had said but didn't find his testimony persuasive, noting that the amounts in question were significant and it was unusual that he had no evidence of messages with the third-party to support his version of events. There was also a transaction

to Pets4Home for £1,950 which looked highly unusual, and he hadn't queried this. Mr M said everything happened in the trading app which had been deleted by the other party. And he had provided screen shots of set ups in relation to the trading/investment platforms, which showed there was an arrangement in place as he'd submitted.

The investigator was satisfied Revolut had met the bar for loading the fraud marker and there wasn't a basis for removing it. She didn't find any error in closing the account in these circumstances either.

Mr M maintained he hadn't done anything with dishonest intent. He added:

- He had only kept a small proportion of the funds. Revolut had also recovered £2,335.40.
- He'd trusted the person and had been naïve.
- He was in shock when Revolut froze his account, and he knew nothing about fraud.
- He didn't think Revolut had been fair to him.

When the investigator didn't change her mind, the case was put forward for a decision.

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'm sorry to disappoint Mr M but I'm not upholding his complaint, and I'll explain why. I'm also sorry to hear of the impact this has had on his mental health and hope he is getting appropriate support.

The marker that Revolut has filed is intended to record that there's been a 'misuse of facility' – relating to using the account to receive fraudulent funds. To file such a marker, it's not required to prove beyond reasonable doubt that Mr M is guilty of a fraud or financial crime, but it must show that there are grounds for more than mere suspicion or concern. The relevant guidance says, there must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted, and the evidence must be clear, relevant, and rigorous.

What this means in practice is that the business must first be able to show that fraudulent funds have entered Mr M's account, whether they are retained or pass through the account. Secondly, the business will need to have strong evidence to show that Mr M was deliberately dishonest in receiving the fraudulent payments and knew they were, or might be illegitimate payments. This can include allowing someone else to use their account to receive an illegitimate payment. But a marker should not be registered against someone who was unwitting; there should be enough evidence to show complicity.

To meet the standard of proof required to register a fraud marker; the business must carry out checks of sufficient depth and retain records of these. This should include giving the account holder the opportunity to explain the activity on their account to understand their level of knowledge and intention.

So, I need to decide whether I think Revolut has enough evidence to show fraudulent funds entered Mr M's account, and he was complicit. And I'm satisfied that it has. I'll explain why by addressing what I consider are the salient points.

Revolut has provided evidence that it received a report, saying that funds which entered Mr M's account was because of a fraud. Looking at what was reported, I'm satisfied Revolut had

reasonable evidence of fraud and needed to make enquiries to meet its regulatory obligations to investigate such matters. I won't be sharing this information. Where there are sensitivities surrounding evidence supplied in confidence, I have to balance Mr M's expectations with the impact sharing information might have on our ability to receive and consider evidence provided in confidence. Our rules (DISP 3.5.9(2)R) allow me to do this. Though, I'd like to assure Mr M that I have reviewed this evidence impartially and objectively as my role requires.

Mr M thinks Revolut didn't carry out a fair process but upon receipt of the fraud report, it has shown us that it contacted him. It asked him to explain why he'd received the payments. So, I'm satisfied he was given a fair opportunity to provide supporting evidence. He provided transaction screen shots. But Revolut didn't find this satisfactory without any supporting information of the chats between him and the other party, so it decided to load the marker. It also decided to retain it, after reviewing the case following Mr M's complaint and further information.

I've looked at the circumstances and I don't find Revolut's position unreasonable. This is because I'm not persuaded Mr M wouldn't have any messages in relation to thousands of pounds coming into his account, or about a mentorship. He's said everything was done in the trading app, but that's only an explanation, which on its own isn't enough.

Also, I can't see how Mr M could have genuinely disregarded the payment reference for Pets4Home and this not have rung alarm bells, if he understood this was trading related, including a profit share. Ultimately, my role is to look at what both sides have said and provided and consider the weight of the evidence. Here, although Mr M has attempted to explain things, the information wasn't satisfactory to Revolut. There aren't any communications supporting why the payments needed to go into his Revolut account and why he genuinely believed this was someone mentoring him to trade, so the circumstances suggest he's been complicit in accepting fraudulent funds and benefiting from some of them.

In conclusion, I'm satisfied Revolut had enough information to support its actions, with the report it received, the account activity and the responses Mr M has given. It follows that I don't find its actions were unfair to record the marker, maintain it and close the account (there's provision for that in the account terms and conditions). All things considered, I won't be requiring any further action to be taken to resolve this complaint.

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 M to accept or reject my decision before 3 December 2025.

Sarita Taylor
Ombudsman