

The complaint

Mr B complains Revolut Ltd recorded a marker against him on a fraud database. He doesn't think it's treated him fairly.

What happened

Mr B opened an account with Revolut around March 2024. In May he received a payment from a third-party, through a bank transfer. The funds were withdrawn immediately. However, the payment was reported as fraudulent to Revolut.

Revolut restricted the account and requested information to support why Mr B had received it and was entitled to the funds. It got a response back to say that the payment was from "family friends". Revolut requested further information but didn't get a satisfactory response, so it filed a misuse of facility marker at Cifas, believing Mr B had been complicit in receiving fraudulent funds. It also closed the account. Mr B found out about the marker and complained that he'd not done anything to cause this. He said, he'd been naïve and opened the account for some people at college as they'd asked him to, and he'd wanted to impress them. He'd given them his card and PIN but wasn't involved in the account activity itself, beyond giving them authorisation codes as and when these came through from Revolut. Revolut asked for more information that someone else was in control of his account, but Mr B said he was limited in what he could give. It reviewed matters but didn't think it had made a mistake in the steps it had taken. Dissatisfied, Mr B contacted us and said the marker was affecting him financially and personally. He wished to challenge the decision and Revolut's handling of the situation and set out his case in further detail.

An investigator gathered as much information as she could from both sides. Mr B maintained he hadn't knowingly been involved in fraud and didn't have the further information Revolut had wanted. The investigator asked Mr B about some payments he'd made into the account in April 2024 from another account he had elsewhere. He told the investigator that one of the payments was money for some fake designer items, but this hadn't materialised and in effect he'd been scammed too. And it was around this time he started to distance himself from these people, but he also felt intimidated, if he didn't give them what they wanted.

The investigator acknowledged what Mr B had said but didn't find it persuasive that he hadn't been complicit in the account activity. She noted he'd felt uneasy, suggesting he knew more, but he hadn't done anything about cancelling the card, and there had been a fair amount of time between the account being opened and the disputed activity. She also observed Mr B didn't have any direct evidence to support the things that he'd said.

Weighing everything, she concluded Revolut had met the bar for loading the fraud marker. Mr B didn't agree. He said he'd made a bad choice in opening the account for someone else, but that didn't mean he'd been involved in the disputed payment and he'd also tried to return the funds.

When the investigator didn't change her mind, the case was put forward for a decision at Mr B's request.

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 hear about how Mr B says the fraud marker is affecting him. I hope he's been able to get some support. In my role, I must look at the evidence objectively to reach my decision. 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 B 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 B's account, whether they are retained or pass through the account. Secondly, the business will need to have strong evidence to show that Mr B 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 B'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 received a report, saying that funds which entered Mr B's account was because of a fraud. Looking at what was reported, I'm satisfied the bank had reasonable evidence of a scam and needed to make enquiries to meet its regulatory obligations to investigate such matters.

Revolut contacted Mr B. It asked him to explain why he'd received the payment. So, he had the opportunity to defend himself. Revolut decided what it had been given wasn't satisfactory (and in the absence of anything else) decided to load the marker. It also decided to retain it, after reviewing the case following Mr B's complaint and explanation.

I've looked at the circumstances and I'm afraid I haven't found Revolut's position unreasonable. This is because ultimately there isn't any tangible evidence to support what Mr B has described. It's possible he may be telling the truth, but I'd reasonably expect to see some direct evidence of third-party involvement and engagement with them at the times his account was allegedly being used, or even at the time Revolut told him his account was restricted and would be closed. After all, these weren't insignificant matters. I also think if Mr B had paid money for something and didn't get it and began distancing himself, then this would have been even more of a reason to say something to Revolut. He's explained why he didn't, but again there's no supporting evidence for what he has said. Overall, weighing the information, I've no choice but to say this points to him being complicit in what happened.

I know how much this matter means to him, and giving disappointing news is difficult in these circumstances. Ultimately, I must look at what both sides have said and provided and

consider the weight of the evidence. My conclusions are that I'm satisfied Revolut had enough information to support its actions, with the report it received, the account activity, the responses it got back (including the lack of any tangible evidence of what Mr B says happened). 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'm sorry but I won't be requiring any further action to be taken to resolve this complaint.

Mr B has indicated that he'll be taking legal action if necessary and he is free to do that, with my decision marking the end of our process.

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 B to accept or reject my decision before 2 January 2026.

Sarita Taylor
Ombudsman