

## The complaint

Mr H complains that Monzo Bank Ltd registered a Cifas marker against him and closed his account. As a resolution to his complaint, he wanted the immediate removal of the marker, an apology and £300 compensation for the distress and inconvenience caused.

The details of this complaint are well known to both parties, so I won't repeat everything again here. Instead, I'll focus on giving the reasons for my 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.

In Cifas' Handbook—which members must adhere to when loading markers—it sets out the burden of proof the member must meet. The relevant standards at the time of the loading were:

1. That there are reasonable grounds to believe that a fraud or financial crime has been committed or attempted.
2. That the evidence must be clear, relevant and rigorous.

In addition to the Handbook's burden of proof, Cifas released guidance to its members in March 2020 providing best practice when filing markers against 'Money Mules' on this national fraud database. As Mr H had received reportedly fraudulent funds into his account, I find that the guidance is relevant in these circumstances.

The second part of the burden of proof requires more than mere suspicion of the consumer's willing involvement of the alleged activity to load them to the database. This is further supported by the 'Money Mule' guidance that sets out that *"You must have evidence to show that the consumer was aware that the payment they were receiving was, or might be from an illegitimate source."*

Broadly, it also highlights the need to consider evidence supplied by the consumer and says that contact should be made with them prior to deciding to load the marker. This is typically to establish if the consumer has themselves been victim to a fraud or has been duped into unwittingly laundering funds through their account.

Monzo first froze Mr H's account on 23 September 2023 as it had concerns that two payments he'd received into his account may be fraudulent. Monzo later received fraud reports for these transactions on 24 September 2023 and 6 October 2023. So, I think it had reason to suspect that illegitimate funds had entered Mr H's account.

Monzo reached out to Mr H to clarify the reason for the payments and ask for proof of entitlement, as I'd expect it to do. It included the payment amounts and the account names of the individuals who had sent them.

Mr H told Monzo that these were payments from two work colleagues who he'd known since school. He said these payments were for money he'd lent them and the reference to a

'phone' was a joke. The evidence he provided in support of his entitlement to the funds was a pay slip from his place of work. He provided no further proof of entitlement or any evidence that he knew the individuals involved.

Monzo wasn't persuaded by Mr H's version of events. It noted Mr H had attempted to withdraw £250 from an ATM near his home address within a couple of hours of receiving the first payment. And Monzo highlighted that the references for these two payments were consistent with the testimony provided by the fraud report it received on 24 September 2023 (and later by the second fraud report) adding weight to the reporting individuals' version of events. So, Monzo decided to close Mr H's account on 1 October 2023 and loaded a Cifas marker against him on 8 October 2023.

Taking everything into account I think the loading of the marker and the account closure was fair and reasonable in the circumstances. Mr H had failed to provide any evidence to support his testimony that these were funds he was entitled to. And this is evidence I'd expect him to have had access to if these were genuine payments from his work colleagues. I'm satisfied the evidence that was available to Monzo indicated these were illegitimate payments. And I think it was fair for it to conclude Mr H knew, or ought reasonably to have known, these funds were illegitimate in this context.

In January 2025 Mr H found out that Monzo had loaded a Cifas marker against him and so he contacted Monzo to ask it to review its decision. Mr H told Monzo that his personal details had been compromised, leading to unauthorised transactions – he said he'd been a victim of identity theft. He said all the money that entered into his account was done without his knowledge and consent. He said before his account was closed, he'd lost his card and that he'd written his pin on the back of it due to memory issues. He also said that his email address had been sold online in 2024, and he had no access to online banking at that time to monitor what had happened. He later told our Service he'd incorrectly assumed the payments may have come from someone he knew and that's why he'd told Monzo this back in 2023.

However, Monzo didn't find this testimony persuasive and so didn't agree to remove the marker. And having carefully considered the evidence, I think this was reasonable. Mr H doesn't dispute that his testimony has changed, and he only provided an explanation for this when our Service highlighted this to him. I'd also note that this explanation seems implausible given he was provided with the names of the individuals who had made the payments before he gave his explanation back in 2023. In any event, I note that he failed to provide Monzo with any evidence to support the fact he'd been a victim of identity theft. Mr H has also said that he had no access to his online banking, but his own testimony is that he was able to respond to Monzo's communications about the transactions at that time – which means he retained access to his account. And I think it's fair for Monzo to highlight that this undermines the credibility of his testimony.

As an aside, I note Mr H has also mentioned that the application date recorded by Monzo within Cifas is inaccurate. I think it's helpful to highlight that the date relevant to the marker's retention is the filing date and not the application date. And in any event, I think the application date is correct as it's the date Mr H opened his account, so I have no concerns about how Monzo has filed this Cifas marker.

### **My final decision**

For the reasons outlined above, 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 H to accept or reject my decision before 14 January 2026.

Jade Cunningham  
**Ombudsman**