

## **The complaint**

Mr A has complained that Monzo Bank Ltd registered a marker against him at CIFAS, the national fraud database.

## **What happened**

In spring 2022, Mr A received over £3,000 into his Monzo account. It came from a victim of crime who'd been defrauded into paying Mr A. Mr A then forwarded the money onto another account of his.

Monzo closed Mr A's account and registered a marker against him at CIFAS.

In 2023, Mr A complained. He said the money came from a relative in the USA who was helping him with his living costs, and also that it was money he'd received in exchange for some foreign currency he'd sent. He said he was unable to provide any evidence of this.

Our investigator looked into things independently and didn't uphold the complaint. Mr A appealed, so the complaint's been passed to me to decide.

## **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 order to register this marker, Monzo were not required to prove beyond all reasonable doubt that Mr A had done something wrong. They did need to have reasonable grounds to believe that he'd misused his account, which went beyond a suspicion or concern, and which had appropriate supporting evidence. Having carefully considered everything that both sides have said and provided, I think Monzo did have sufficient grounds to register this marker. I'll explain why.

To clarify, this decision is not a judgement of Mr A's character. While I've read everything that Mr A sent us about his character, education, and career, my decision is based on the objective evidence at hand and the balance of probabilities.

Monzo received an official report that the money Mr A received did not come from a relative or a currency exchange, but from a victim of crime who'd been defrauded into paying Mr A.

Mr A quickly forwarded the fraudulent money onto another account of his, in a way which meant that it could not be easily recovered by Monzo. As far as I can see, Mr A is the only party who benefitted from the fraud.

Mr A had also been receiving and forwarding on other credits in a similar manner, including previous payments which had been flagged as suspicious. He did not receive any regular salary or benefits into this account, nor pay any regular direct debits from it. His activity is consistent with someone who was either involved in the fraud or acting as a money mule.

Mr A said that the money was from his relative in the USA to help with his living costs, or that it was money he'd exchanged. But the money wasn't from an individual in the USA and had not been exchanged; it was from a UK company which had been defrauded into paying Mr A. I can't see anything which links the company to any relative of Mr A's, nor anything which would make Mr A reasonably think this was a payment from his relative. And Mr A has been unable to provide any evidence at all to back up his version of events, even when it would be simple for him to ask his relative to get in touch as our investigator suggested he do. I also have no evidence that he ever exchanged this currency. There's no corresponding outwards payment before he received the fraudulent funds. Indeed, Mr A's balance was just £0.08 before he took in the fraudulent credit, and generally remained low.

In summary, Mr A received and forwarded on fraudulent funds, which would count as misusing his account. His actions are consistent with him being a knowing participant in the fraud – indeed, Mr A appears to be the main beneficiary of the fraud. He's claimed entitlement to the money but has been unable to provide any evidence of entitlement, even when such evidence should be straightforward to provide. The available evidence all points to Mr A being knowingly involved in the fraud, and I've not been given any evidence which shows or substantiates that he was an unknowing or unwitting participant.

So it seems fair that Monzo closed Mr A's account and registered the appropriate marker with CIFAS. This is a difficult message for me to give, and I know it's a difficult message for Mr A to receive. But given the evidence I have, and the balance of probabilities, I'm unable to reasonably reach any other conclusion.

### **My final decision**

For the reasons I've explained, I don't uphold Mr A's complaint.

This final decision marks the end of our service's consideration of the matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 10 January 2024.

Adam Charles  
**Ombudsman**