

## **The complaint**

Miss E complains that Barclays Bank UK PLC closed her account and registered a marker at CIFAS, the national fraud database.

## **What happened**

Miss E says she saw information on social media about a way of making money. She contacted the person involved who wouldn't give her his name. She was told to set up a cryptocurrency trading account using an app. She received payments of £9,000 to her Barclays account and sent them to this trading account. Miss E gave the person she was dealing with access to the money. She said she expected to receive a share of the profits and was unhappy to be blocked online by the person she was in communication with. She says she has been the victim and is now having difficulty getting a bank account elsewhere.

Barclays said it had received a report that the money paid into Miss E's account had been obtained fraudulently. She had moved this on and had no evidence to support what she said happened. It no longer wanted to offer her an account and said that it had grounds to add the CIFAS marker.

Our investigator didn't recommend that the complaint be upheld. She said that there was no evidence that Miss E had done any trading herself or received any guidance on how to do so. She hadn't questioned the source of the money and why she expected to receive 40% of any profit made. She willingly provided her information and acted to move the money without asking any questions and with the aim of making money. Barclays had a basis to add the marker and was entitled to decide to close her account.

Miss E didn't agree and wanted her complaint to be reviewed. She said that she didn't feel that she was an accomplice here. She doesn't know the name of the person she was dealing with and so couldn't report this to police. As that person had blocked her access she no longer has any of the messages about what happened.

## **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 need to consider whether the report to CIFAS was made fairly. On this point, Barclays needs to have more than a suspicion or concern. It has to show it had reasonable grounds to believe that a fraud or financial crime had been committed or attempted and that the evidence would support this being reported to the authorities.

I am thinking here about whether Miss E knew or ought to have known that these funds weren't legitimate. And whether she could have reasonably protected herself from being involved. She doesn't have any evidence of the messages she exchanged about this now on social media. But based on what she says she didn't know who she was dealing with and the name of that person. She hasn't in my view been able to explain why that person, a stranger to her, would arrange for her to be given this amount of money to pass on for investment.

And why she would share in this trading without her making any contribution or really having any knowledge of how money could be made. She also hasn't explained why she needed to be involved at all or why the money needed to come through her bank account. And that when it did she would pass it on. I've listened to her call with Barclays about this and I think it's given her sufficient opportunity to put her explanation forward.

I'm afraid I think that Miss E didn't take reasonable steps to establish that this money was legitimate. She allowed her bank account to be used to receive and pass on fraudulently obtained money with a view to her making money from this. And I find that she ought reasonably to have known that this wasn't legitimate and frankly she can't evidence why she thought otherwise.

Barclays says that it applied the CIFAS marker because Miss E received fraudulent funds into her account. So, I've looked at whether Barclays was fair to apply the marker, based on the evidence it had, and the investigation it carried out. CIFAS guidance says the business must have carried out checks of sufficient depth to meet the standard of proof set by CIFAS. This essentially means that Barclays needs to have enough information to make a formal report to the police. And that any filing should be for cases where there are reasonable grounds to believe fraud or financial crime has been committed, rather than mere suspicion.

Having reviewed Miss E's account of events and the evidence Barclays has provided, I'm satisfied that Barclays had sufficient evidence for the CIFAS marker to be recorded. In coming to this view, I've taken into account the following points:

- Miss E received fraudulent funds into her account.
- She authorised the withdrawal of the funds and so was in control of who had the benefit of this money.
- Barclays had grounds to believe that Miss E had used fraudulently obtained funds based on the evidence it had.

In the circumstances it made a decision to close her account and I find that it was entitled to do so in line with its terms and conditions. I appreciate what Miss E says about the impact that the marker is now having on her, but I don't have a reasonable basis to say that Barclays should do anything more. I know she will be very disappointed by the outcome.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 15 July 2021.

Michael Crewe  
**Ombudsman**