

## **The complaint**

Mr A has complained Guavapay Limited lodged a fraud-related marker on the industry fraud database, CIFAS, in his name.

## **What happened**

Mr A opened an account with Guavapay in August 2024. In September that year Guavapay received a fraud report from another bank about payments made into Mr A's Guavapay account. These were two payments of £100. Guavapay believed they had sufficient evidence to lodge a CIFAS marker and closed Mr A's account.

After failing to open an account with another bank, Mr A discovered Guavapay had lodged a CIFAS marker in his name so contacted them in 2025 to remove the marker. Guavapay confirmed they wouldn't do so.

Mr A brought his complaint to the ombudsman.

Our investigator noted the evidence Mr A had shared with our service which showed his sale of a jacket which he believes is what this money is about. Overall, she felt Guavapay had enough evidence to lodge a CIFAS marker.

Still unhappy, Mr A has asked an ombudsman to consider his complaint.

## **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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

It is clear what the requirements are prior to lodging a marker. Specifically:

*"There must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted."*

*The evidence must be clear, relevant and rigorous."*

Guavapay must be able to provide clear evidence that an identified fraud was being committed, and Mr A was involved. This means that they must have more than a suspicion or a concern that Mr A may be involved.

There's also a requirement that Guavapay should be giving the account holder an opportunity to explain what was going on.

I've seen the evidence provided by Guavapay. This confirms they received a notification from another bank that two payments had been made from their customer's account as the result of fraud. Two payments of £100 credited Mr A's account on 9 September 2024. They could also see that over £180 of this money was immediately used by spending and sending

to another bank account.

Mr A told our service that he sold an expensive jacket on an online marketplace. He got a call from the person who wanted it, met up and provided the jacket and then got the money sent to him. Mr A admits he doesn't recognise the name of the person who sent the money, nor has he got any other messages confirming this sale and arrangement. He's also not been able to explain why the payment came in two lots of £100 or why he accepted a sale price £30 lower than the advertised one.

It's clear from evidence that Guavapay shared about one of Mr A's other accounts, that he regularly sold goods. So, I am surprised that he didn't retain evidence of his activity, as these sales can be subject to disputes.

However, what's also clear is that the sender of £200 went to her own bank to claim she was the victim of fraud. This confirms that Mr A wasn't entitled to these funds.

What I need to decide is whether Mr A was aware that these funds were fraudulent. And overall, I believe that he was. I say this because Mr A's own evidence to Guavapay suggests this wasn't the only transaction that was highlighted as potential fraud.

I also note that Mr A's account had barely been open a fortnight, before this happened.

I note Guavapay didn't, as required, question Mr A in September 2024 about his entitlement to the money. I don't think this would have made any difference as I believe his story would have been the same and Guavapay would, as likely, have taken the same action.

Having reviewed Guavapay's evidence of Mr A's account use, I'm satisfied Guavapay had enough to lodge the CIFAS marker.

On this basis, I don't believe it would be fair and reasonable to ask Guavapay to remove the CIFAS marker.

### **My final decision**

For the reasons given, my final decision is not to uphold Mr A's complaint against Guavapay Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 26 December 2025.

Sandra Quinn  
**Ombudsman**