

## The complaint

Miss A complains that Nationwide Building Society unfairly loaded an adverse fraud marker against her name and closed her bank account.

## What happened

As the circumstances of this complaint are well-known to both parties, I have summarised them briefly below.

Miss A held an account with Nationwide. In mid-2024, Nationwide carried out a review of Miss A's account after it found she was making a larger-than-usual number of chargeback claims.

After carrying out the review, it concluded that Miss A was making false chargeback claims. It therefore decided to close her account and load an adverse fraud marker against her on the Cifas database.

Miss A, unhappy with the actions Nationwide took, complained. But after reviewing her complaint, Nationwide concluded that it had acted fairly based on the evidence available.

Miss A referred her complaint to our service for an independent review. After considering the evidence, an Investigator concluded that Nationwide had not acted fairly. They recommended that Nationwide remove the adverse fraud marker and pay Miss A compensation for the distress and inconvenience caused.

Nationwide didn't agree with that assessment. It argued that the pattern of behaviour identified in the chargeback claims was sufficient to justify loading the fraud marker against Miss A.

As Nationwide disagreed with the Investigator's assessment and recommendations, the matter was passed to me to decide.

On 18 September 2025 I issued my provisional findings to both parties, asking that they respond by 2 October 2025 with any further comment or evidence. My provisional findings were as follows:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

### *Was the recording of the Cifas marker fair?*

One of the relevant considerations here is set out by Cifas: the fraud marker database controller. In its Handbook—which members must adhere to when loading markers—it sets out the burden of proof the member must meet. The relevant standards regarding this complaint are:

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.

My understanding of these standards is that a member cannot simply load a marker against an individual based on mere suspicion. It must be able to meet a higher bar; in that a customer was likely a witting participant in the alleged conduct.

Here, Nationwide has alleged that Miss A was making fraudulent chargeback claims over a significant period. But Miss A argues that these were legitimate disputes regarding items that had not been delivered, or not as described. So I must first decide from the evidence available if Nationwide has sufficiently met the high standard of proof required to support its assertion.

Having done so, I am satisfied that Nationwide has met the standard of proof required to load the marker.

Our service has received evidence from both Miss A and Nationwide. Miss A's evidence contains screenshots of the disputes she raised on the platforms where she'd purchased the items. Nationwide's evidence contains information provided by the merchants as part of the chargeback process. This evidence was provided in defence of those chargebacks.

Comparing these two bodies of evidence, I have made several observations.

In the evidence Miss A has provided, she appears to—on a number of occasions—give the merchant a different reason for the dispute than she gives to Nationwide when raising the chargeback. Examples of this are, but not limited to:

- While disputing the purchase of a wig, Miss A tells the merchant that she received the package, but it had been tampered with. She claimed that the package contained “lashes” and a “bald cap”, but not the wig. When later raising the chargeback with Nationwide, she told it that the package was marked as delivered but had never been received.
- Furthermore, the merchant provided proof that the item was delivered, sent a picture of the wig inside its packaging when being sent from the warehouse and pointed out that the weight of the package—as printed on the shipping label—was consistent with the items that had been sent.
- While disputing the purchase of headphones, Miss A tells the merchant that she received the item, but the box contained paper. When later raising the chargeback with Nationwide, again, Miss A told it she'd never received the parcel despite it being marked as delivered.
- While disputing the purchase of a gilet, Miss A claimed that the item arrived with a broken zip and had a hole in it. She told Nationwide that she'd contacted the seller for a return, but they'd confirmed they didn't do returns and was advised to sew the hole up. When the merchant defended the claim, it provided a chat between Miss A and the seller. This chat was not consistent with what Miss A told Nationwide.

As well as the above examples, Nationwide has provided several other documents from merchants that Miss A has raised a chargeback against. And these each show that the items Miss A claims to have not received as being delivered by the courier service used. While it is plausible that one or two of Miss A's packages may have either been misdirected or stolen, I find it less plausible that so many, from different merchants and couriers, would have gone missing.

Likewise, Miss A raised a claim that she had collected an item of jewellery from a shop. She told Nationwide as part of the claim that when she later opened the box it was empty. This appears to be a common reason why Miss A disputes payments with either Nationwide or

the merchants from which she purchases goods, making her claims less plausible when she raises them.

Considering the above, I find that there is more than mere suspicion here that Miss A was raising fraudulent chargeback claims. It therefore follows that Nationwide has met the required standards in retaining the Cifas marker against Miss A's name.

*Did Nationwide act appropriately when closing Miss A's account?*

Nationwide is entitled to end its business relationship with its customer, if this is done fairly and in line with the account's terms and conditions.

Nationwide's terms state that it can close an account and will provide two months' notice when doing so. Here, Nationwide gave Miss A 90 days' notice, therefore exceeding the notice period it told Miss A it needed to give.

I therefore find that Nationwide has closed Miss A's account fairly and in line with its terms and conditions."

Nationwide responded providing no further comment. But Miss A disagreed, raising several points as to why she remained of the opinion that the fraud marker was unfair.

As both parties have now responded to my provisional assessment, I'm now able to issue my final 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.

#### *Cifas marker*

Miss A has made several arguments in response to my provisional assessment. In summary, I find the relevant points made are as follows:

- Many of the arguments relied upon by Nationwide to load the marker are based on speculation and suspicion—which is insufficient to fulfil the burden of proof required.
- The differences between what she told the merchant and what she told Nationwide are not due to fraudulent intent but based on what she believed at the time. While there may have been miscommunication or misunderstanding, she was not being dishonest.
- The merchant information provided cannot be independently verified.
- Exercising her legal consumer right to raise a chargeback claim does not equate to fraud.

I have considered Miss A's response carefully, along with the additional evidence she has provided, but I'm not persuaded to depart from the findings I have reached in my provisional assessment.

I have already set out in detail what burden of proof Nationwide must meet when loading a fraud marker to the Cifas database. And I agree with Miss A that a marker cannot be loaded based on mere suspicion: as I have already set out. But I cannot agree with some of the points Miss A has made as to the standard she believes Nationwide ought to be able to prove.

Nationwide does not have to meet the criminal standard of proof—beyond reasonable doubt—when loading a marker. So the weight of the evidence she infers is required to load the marker is beyond what I would reasonably expect here. Nationwide does however have to meet a higher bar than the civil standard of proof—on the balance of probabilities.

I agree with Miss A that some of the points raised by Nationwide, in isolation, could be deemed speculative and mere suspicion. But I must look at the collective evidence that it has provided in presenting its argument and not each event in isolation.

There are multiple merchants involved in the disputes Miss A had raised. And as most of those merchants are online shopping marketplaces, that extends further to multiple online shops that are advertising their products and services with those merchants.

While I agree that there is a degree of plausibility that one or two shops within those marketplaces could be bad actors, I find it less plausible that multiple online retailers within multiple online platforms would provide fabricated evidence. So it is not reasonable here to expect Nationwide to have that evidence independently verified when making an assessment.

Further, Miss A has made assertions that some of the discrepancies between what she has told the merchants and what she has told Nationwide are misunderstandings rather than a deliberate attempt to deceive them. But some of the evidence I have seen goes beyond what can reasonably be considered a miscommunication. I have already provided several examples of this in my provisional assessment, but for the benefit of responding to Miss A's points, there are others I had not elaborated on.

For instance, a merchant has provided screenshots of a conversation Miss A had with the seller of a gilet she purchased online. Within that conversation, Miss A tells the seller that she wants to keep it despite the seller offering to take the item back if she wasn't satisfied with it. She offered both a return by post or for someone to pick it up from her personally. But instead of responding to the seller, or contacting the merchant, Miss A contacted Nationwide to raise a chargeback.

When raising that chargeback, Miss A told Nationwide that she'd contacted the merchant for a returns address, but their response was that they do not do returns and advised her to sew up the hole. From looking at the exchange of messages between both Miss A and the seller, this simply was not true. Miss A did not mention the existence of a hole, told the seller she wanted to keep it, and was offered twice to have the item returned via two different methods. Furthermore, a reverse image search of the picture Miss A has provided our service showing the hole in the jacket was in fact pulled and cropped from an online social media post likely not associated with her. So the evidence she has provided our service is unreliable.

While Miss A does have the right to raise a chargeback claim where a genuine claim exists, claims that are made with false or misleading information are deemed fraudulent. And as Nationwide has provided sufficient evidence that would support its assertion that Miss A was likely raising fraudulent claims, I won't be asking it to remove the marker.

#### *Account closure*

Miss A has told our service that she was not provided with the relevant notice to close her account, as she believes it was closed abruptly rather than with the two months' notice required.

Even were I to find that her account was closed without notice, Nationwide has still acted fairly and in line with its terms and conditions.

Section 55 of the terms and conditions of the account state that Nationwide may close an account immediately where it reasonably suspects that the customer has carried out illegal or fraudulent activity on the account.

Considering the findings I have made in relation to the application of the Cifas marker, I find that a reasonable suspicion can be evidenced here.

**My final decision**

For the reasons I have given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 28 October 2025.

Stephen Westlake  
**Ombudsman**