

The complaint

Ms K has complained J. P. Morgan Europe Limited, trading as Chase, lodged a fraud-related marker on the industry fraud database, CIFAS, in her name.

What happened

In January 2025 Chase contacted Ms K to query a payment of £1,300 she'd received the previous October. Ms K was preparing to be out of the country and wasn't completely sure which payment was being discussed, as this payment was around the time she received a state payment.

Chase was unconvinced by what Ms K had told them.

Chase decided to close Ms K's account and lodged a fraud-related marker on her record with CIFAS. Ms K tried to explain to Chase what had happened. She confirmed she'd allowed her brother to use her account. She believed this payment was the one she'd accepted into her account on his behalf after her brother had sold an iPhone. Ms K was able to show she'd then sent the money to another account in her name and disbursed the funds to help out her brother.

Ms K initially brought a complaint complaining about her account closure. This complaint is about Chase confirming to her that they wouldn't remove the CIFAS marker as they felt it was properly lodged.

Initially Chase didn't provide any evidence. Our investigator told Chase she was upholding the complaint in this absence. She also asked Chase to pay £150 to Ms K for the trouble caused.

Chase subsequently submitted their evidence showing they'd received a fraud notification about the payment made into Ms K's account of £1,300. Our investigator confirmed she wouldn't be asking Chase to do anything further.

Ms K appealed against this outcome. The CIFAS marker was having a major impact on Ms K's ability to manage her finances and she felt she'd shown what had happened to the £1,300 she'd received. Ms K's complaint has been referred to an ombudsman for 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.

Having done so, I've reached the same outcome as our initial investigation. 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.”

So Chase must be able to provide clear evidence that an identified fraud was being committed, and Ms K was involved. This must go above Chase having a suspicion of Ms K's involvement.

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

I've seen the evidence provided by Chase. This confirms they received a notification about a payment of £1,300 into Ms K's savings account on 25 October 2024, as the result of a scam where the sender believed they'd be receiving funds in return. This notification wasn't received until 8 January 2025, almost three months later. This is pretty unusual when we consider this type of complaint.

It's clear that Chase raised questions with Ms K about her eligibility to these funds. And they have confirmed to us that it's her inconsistency that made them believe she knew she was the recipient of fraudulent funds.

However, I'm not convinced. When Chase first got in touch with Ms K, she was preparing to go overseas. I doubt very much her first thought was a payment into her account three months previous. So, I'm not surprised her testimony was inconsistent.

What I would say is that her testimony may have been inconsistent but doesn't immediately strike me as improbable. She did receive a benefit payment for about the same amount around this time. The disputed payment did state "*wedding gift*" in the narrative. Ms K had not long been married so this would be a credible reason for accepting a payment.

I've also reviewed the set of messages between Ms K and her mother. It's certainly true that she provided her account details to her mother for her brother's use. I don't know what her brother was doing. I'm not particularly sure I believe that his banking app wasn't working unless this use had been restricted for some reason or another.

However just because her brother may have been committing some type of fraud doesn't mean that Ms K was.

I've noted that Ms K transferred all these funds to her other account. I can also see from that statement that those funds were sent on. She's told us that she made the payments her brother requested her to make. I don't think there's any indication Ms K retained any of the funds.

I can't be completely sure whether Ms K knew what was going on. And that doubt is sufficient – coupled with those I have about the fraud report itself – to suggest that there isn't enough evidence that Ms K was involved in any fraud.

On this basis I don't believe it would be fair and reasonable for the CIFAS marker to remain on Ms K's record.

There has been an undoubted impact on Ms K. Other accounts have been closed and her access to other financial products has been limited. I believe £150 is a fair amount for Chase to pay Ms K for the trouble caused.

I have considered whether a provisional decision was required here but the resolution I've proposed matches that proposed by the original investigator in October 2025. Both Chase and Ms K were able to submit further evidence after that view.

My final decision

For the reasons given, my final decision is to instruct J. P. Morgan Europe Limited, trading as Chase, to:

- remove the CIFAS marker from Ms K's record; and
- pay £150 to Ms K for the trouble caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 10 March 2026.

Sandra Quinn
Ombudsman