

The complaint

Mr K complains HSBC UK Bank Plc recorded a marker against him on a fraud database. He doesn't think it's treated him fairly.

Whilst Mr K has a representative on this case, I will refer to him in this decision, as the complaint relates to his relationship with the bank.

What happened

A summary of what happened is below.

Mr K received some large payments into his HSBC account through bank transfers in March 2025. The funds were withdrawn. However, the payments were later reported to HSBC by other banks as being the result of a scam.

HSBC restricted the account and requested information to support why Mr K had been entitled to the funds. Mr K called the bank, submitting a payment into the account was from him. HSBC completed its review and decided to file a misuse of facility marker at Cifas, as it believed he had been complicit in receiving fraudulent funds. It also closed the account. Mr K found out about the marker and asked HSBC to remove it, explaining he was sixteen when he'd been manipulated into opening the account by someone he'd come across on Snapchat. He said he hadn't understood the consequences.

HSBC reviewed the loading, but it didn't think it had made a mistake. Dissatisfied, Mr K contacted us and said the marker was affecting him financially and personally and he wished to challenge the bank's decision because he didn't think it was proportionate or fair.

One of our investigators reviewed the case and gathered some information. Mr K said he'd seen an advert on Snapchat offering a quick and easy way to make money. And that he'd been talked into opening an account and handing over the card and other credentials. He said that he'd thought it was harmless but now realised he'd been used.

The investigator acknowledged what Mr K had said and provided but she didn't think HSBC had done anything wrong in taking the steps it had, noting that other available evidence suggested he'd been complicit in the activity, and he would have known his involvement wasn't a legitimate request. The investigator didn't find any error by the bank in closing the account either.

Mr K disagreed with the outcome and asked for his case to be passed to an ombudsman. In doing so, he said:

- He was 16 years old when he'd been exploited via Snapchat.
- He did not knowingly commit fraud and hadn't benefitted from the funds.
- He didn't believe his age, and lack of criminal intent had been given sufficient weight.

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.

Both parties will be familiar with the requirements for recording fraud markers of this nature, so, I'm not going to repeat that here.

HSBC placed a Cifas marker on Mr K's record because it felt it had enough evidence. I've reviewed what happened and I've taken into account what Mr K has said about his age and him being exploited. But the screen shots he's provided aren't enough. Conversely, what the bank has in its possession is rigorous in the form of fraud reports and a recording of a call it had with Mr K, where he declared that the incoming payment was from him. In that call, Mr K also appears to hang up after he's asked for supporting evidence. Having listened to the recording, the circumstances suggest Mr K knew more than he was willing to say, which reasonably points to him being aware that what he was doing wasn't legitimate.

I know Mr K is upset his record has been affected. And that he has asked me to consider he was 16 at the time. But I'm not persuaded that he wouldn't have understood that someone asking him to open an account and surrender his details was inherently wrong and it is this that facilitated the activity. So, I don't think HSBC acted unfairly when it recorded information on the Cifas database and closed the account (for completeness there's provision for that in the account agreement).

Taking the matter as a whole, I don't think it would be fair for me to require HSBC to remove the information. I appreciate that my decision will come as a great frustration and disappointment to Mr K. But for the reasons set out above, I don't uphold this complaint.

Notes

In closing, I would suggest Mr K contacts Cifas to find out exactly when his marker will expire.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 4 March 2026.

Sarita Taylor
Ombudsman