

The complaint

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

What happened

In August 2025 Chase received a fraud notification from another bank for a payment of £125 into Mr E's account. They asked Mr E to explain what these funds were and he confirmed this was a *"personal transaction between myself and a friend"*. He provided evidence to show a conversation between himself with a friend agreeing to lend him £125 for a holiday. Bank account details were shared.

Chase then received a further fraud report from another bank about two payments for £135 and £195. Mr E initially confirmed he'd sold a phone but couldn't provide anything to back this up.

Subsequently Mr E admitted that he didn't recognise either of the two names of individuals who'd made these three payments to his account. Chase confirmed that they were closing Mr E's account. They also lodged a fraud-related marker on the CIFAS database.

Just after this, Mr E asked Chase to remove the marker. Chase confirmed they'd done nothing wrong and wouldn't remove the marker.

Mr E brought his complaint to the ombudsman service.

Our investigator noted Mr E's testimony had been inconsistent and felt this suggested he had knowingly accepted fraudulent funds. He confirmed that Chase had enough evidence to lodge a CIFAS marker.

Disappointed with this outcome, Mr E has asked an ombudsman to review his complaint. He accepted that his evidence had been inconsistent but that at the time he'd been involved with informally lending money to and from people involved in a group chat. As a result, he wasn't fully aware who had sent him the money. He had panicked in providing evidence to Chase and was afraid any further statements would just make his situation worse.

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."

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

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 that they received a complaint from another bank that one of their customers had been a fraud victim. They'd sent £125 to credit Mr E's account.

As Chase had received a fraud report and they saw Mr E's own response as inadequate and inconsistent, they decided they had sufficient evidence to close his account and lodge a CIFAS marker.

In Mr E's initial submission to our service, he didn't really clarify what had been going on. This means that I've seen the quite detailed information he sent to Chase (including account details) about the first credit that was then disputed. He has since attempted to clarify that he lent a friend money from another of his accounts and this was the money being paid back. Except he's also said he doesn't recognise any of the names on the three disputed credits made to his Chase account. I have to wonder why (and how) Mr E was able to send a screenshot of a message which he then later confirmed didn't relate to the £125 credit. This suggests to me that the whole correspondence was falsified.

It's only fair to confirm to Mr E that it isn't the fact that his story changed that is concerning me. It's the fact that if he was supposedly lending and borrowing money to people he barely knew, he thought it was sensible to keep so few records and evidence about what was going on.

It's also important to note that two people paid Mr E £125 and £330 and then raised fraud claims practically immediately after the payments were made. Mr E hasn't attempted to explain how this could be.

I think the evidence shows Mr E was in receipt of fraudulent funds and importantly knew that this was the case.

In accordance with the rules about lodging a marker, I have no choice but to accept that Chase acted properly. On this basis, I don't believe it would be fair and reasonable to ask Chase to remove the CIFAS marker.

My final decision

For the reasons given, my final decision is not to uphold Mr E's complaint against J.P. Morgan Europe Limited, trading as Chase.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 21 May 2026.

Sandra Quinn
Ombudsman