

## **The complaint**

Mr M has complained Nationwide Building Society lodged a fraud-related marker on the industry fraud database, CIFAS, in his name.

## **What happened**

Mr M opened an account with Nationwide in September 2021. In October 2021 Nationwide received a fraud notification from another bank for a transaction of £4,750. This other bank's customer had sent this money to Mr M's account as a result of a safe account scam.

Nationwide confirmed that they were closing Mr M's account. They also lodged a fraud-related marker on the CIFAS database in late 2021.

Mr M accepted that at the time, Nationwide had reason to lodge the marker but by 2025 felt this was now disproportionate. Mr M asked Nationwide to remove the marker. Nationwide confirmed they'd done nothing wrong and wouldn't remove the marker.

Mr M brought his complaint to the ombudsman service.

Our investigator noted Mr M's evidence that he'd agreed to allow someone he didn't know pay money into his account. Mr M felt he was naïve at the time and had limited financial experience so was reassured by these unnamed individuals that this wasn't illegal. However, this meant the reasons for lodging the marker still existed.

Our investigator felt Mr M had knowingly accepted fraudulent funds and confirmed that Nationwide had enough evidence to lodge a CIFAS marker.

Disappointed with this outcome, Mr M has asked an ombudsman to review 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.”*

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

There's also a requirement that Nationwide should be giving the account holder an

opportunity to explain what was going on.

I've seen the evidence provided by Nationwide. This confirms that they received a complaint from another bank that one of their customers had been a victim of a scam. They'd sent £4,750 to Mr M's account as they believed this was a safe account. A further payment for £1,300 also credited Mr M's account at the same time.

As Nationwide had received a fraudulent report and could see Mr M had withdrawn £500 at a cash machine, they returned the remaining funds in Mr M's account to the sending banks. They decided they had sufficient evidence to close his account and lodge a CIFAS marker.

I can also see the deposits made to Mr M's account. Money is then transferred to other accounts but for a time, these funds remained within Mr M's savings account. This is unusual behaviour when I consider what normally happens in cases where someone has acted as a money mule. It makes me wonder whether Mr M had a deeper involvement than he has stated.

In Mr M's submission to our service, he accepted that he'd "*made a serious mistake in allowing my account to be used*" and therefore believed "*the CIFAS marker was an appropriate consequence*". He feels that he's not been involved in any further incidents of fraud since 2021. The impact of the CIFAS marker meant he had limited access to financial services, housing and potentially employment opportunities. He felt that the marker should now be removed.

Mr M has also pointed out that within the last year another bank, who had also lodged a marker in 2021, had taken the decision to remove the marker from Mr M's record. He felt therefore the rules were being applied inconsistently.

I've noted Mr M's evidence and appreciate his strength of feeling that things have changed since 2021. I don't doubt that. However, the rules around these markers mean that if they're lodged once a customer is 21, or above (and Mr M was 22 at the time), they remain on the record for six years.

The principles that applied at the time of Nationwide lodging the marker still apply. Mr M was knowingly in receipt of fraudulent funds, benefitted from those evidenced by the cash withdrawal and importantly knew that this was the case. Whilst it remains open to individual banks to take a decision to remove a marker early, what I'm considering is whether Nationwide applied the rules correctly.

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

### **My final decision**

For the reasons given, my final decision is not to uphold Mr M's complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 April 2026.

Sandra Quinn  
**Ombudsman**