

The complaint

Mr A complains that NewDay Ltd trading as Aqua ('NewDay') recorded a Cifas marker against him without due cause.

What happened

The circumstances of this complaint are well known to both parties, so I will not go into every detail of what happened here. But in summary, a credit card account was opened in Mr A's name. There were numerous chargeback requests made on this account which NewDay deemed to have been fraudulent. It took the decision to close Mr A's credit facility and refer their concerns to Cifas who registered a fraud prevention marker against him for misuse of facility. Mr A denied operating the account or making the chargeback requests, and so complained about the actions of NewDay.

When Mr A complained to NewDay, it did not uphold his complaint on the basis that it said no errors could be identified. Mr A remained dissatisfied, and so he escalated his concerns to our service where one of our investigators looked into what had happened. They did not recommend that Mr A's complaint should be upheld, on the basis that they thought the evidential bar to register a Cifas marker had been met.

Mr A did not agree, so the case has been passed to me to decide.

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.

NewDay, as Cifas members, are obligated to share the details of customers who it has reasonable grounds to believe have been involved in the commission, or attempt to commit, fraud or financial crime. There must be '*clear, relevant and rigorous*' evidence in support of any fraud submissions made by members to Cifas about their customers. The type of Cifas marker loaded against Mr A was for 'misuse of facility'. This relates to a customer's account being used to raise fraudulent chargeback claims in order to make a gain for themselves, or a loss to another.

Were the chargebacks raised by Mr A or someone acting with his consent?

Mr A has disputed the account ownership and that he played any part in these chargeback requests, so the first finding I need to make is whether the evidence suggests that there are reasonable grounds to believe that Mr A owned and operated the account and made the chargebacks – or allowed someone else to do so on his behalf.

Mr A has changed his story with regard to the account opening and operation. He initially told NewDay that he was responsible for the transactions, later alleging that he handed his card to his brother to use. He then told Cifas and our service that his brother opened the account without him knowing – and that he was responsible for the chargebacks on the account too. He later accepted that he did know about the account opening, but that the only

activity he completed regarding the account was sending it money. When asked why he didn't set up a bank account for his brother rather than a credit card he simply said he was too busy. He said he did not look at the account statements, just sent money to pay the credit card bills.

NewDay has provided the account details which show that the email address they held for the account matches the one Mr A provided our service with. This email was used to send updates about the account. NewDay have also been able to demonstrate that the mobile number it held for Mr A matches the one he provided to our service, and this was used to confirm whether a transaction was genuine or not. NewDay have further shown that the address where they did send some post matched Mr A's address, and was in his name. Despite numerous communications in a variety of methods to Mr A's contact details, he did not raise any concerns about the account which one would expect if the account had been opened without his permission or knowledge.

I've thought carefully about the evidence available to me, and I think it is more than likely that Mr A owned and operated the account. He has not been consistent with his version of events, which casts some doubt over his credibility. The evidence NewDay have provided shows that all of the personal details on his account match those he has provided our service – which would make it unlikely that he did not know about the account as he has said at times.

Mr A said he looks after his younger brother, but his explanation as to why he did not set up a bank account in his brother's name and pay funds there was simply that he was too busy. This does not seem plausible, as his brother could set up the account and he would only have to send money, as he did to the credit card account – arguably less effort than allowing him to have a credit card in Mr A's name. He has also said his brother was a teenager and not financially literate, and yet he has claimed he did not review the credit card statements, which seems unlikely.

Most notably, NewDay also corresponded with him or to his contact details about the chargeback claims and he did not raise any concerns about them at the time - so it follows that it is more likely than not that he was the one responsible for the chargeback claims. So, I find that the most likely scenario here is that Mr A owned and operated this credit card account, and is responsible for the actions taken on it.

Were the chargebacks made fraudulently?

Mr A has not argued that the chargebacks were legitimately raised – simply that he did not make them. But as I have found above, I do not think this is most likely here. But for completeness, I will consider whether I think NewDay were fair in suggesting that the chargebacks were raised fraudulently.

There were 19 chargeback requests submitted on Mr A's account between November 2024 and April 2025 – so I will not go into the details of each and every one. I will comment more broadly on what I have seen. Of those 19 requests, 11 were made in April alone. I accept that there can be confusion in the chargeback process, or error during the midst of a buyer/seller dispute. But I think that given what I will go on to speak about, the volume of requests made – particularly in April – demonstrates a deliberate pattern of conduct rather than errors.

There is evidence from NewDay and the merchants in question that in numerous chargeback requests where Mr A claimed that the goods were not received but the items were bought from a store in-person. I could fathom that someone could be unlucky and buy something in store and not be presented with what they bought, or with an empty box, but it

seems highly unlikely that when buying a pair of shoes, one could leave the store without them without noticing.

There were other chargebacks which seem highly implausible – such as goods not received which show they were delivered to his address, or a case of a claim of purchase of a bottle of alcohol in a club which was allegedly counterfeit in some way, which the merchant evidenced was sold and delivered to a table in a club in the early hours of the morning.

Considering all of this, and other evidence available to me, it does not seem that the chargebacks were legitimate in this case, and were raised for goods and services that Mr A had the benefit of. I cannot see that it would be likely that this was done honestly. Whilst I accept honest mistakes happen, it seems highly implausible that all of these highly questionable chargebacks were the result of innocent mistakes or misunderstandings – rather to make a gain for himself or a loss to another. And so it follows that I think the evidential bar to register a Cifas marker against Mr A was met in this case.

My final decision

I do not uphold this complaint, and require NewDay Ltd trading as Aqua to do nothing further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 May 2026.

Katherine Jones
Ombudsman