

## The complaint

Mr I complains that HSBC UK Bank Plc ('HSBC') registered 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, Mr I received funds into his HSBC account which were later reported by the sending bank as being sent as a result of a scam. HSBC asked Mr I about his entitlement to these funds, and when it did not receive a reply, it took the decision to close Mr I's account and referred him to Cifas for misuse of facility.

Mr I complained on the basis he said that he received the funds when he fell victim to an employment scam, and other businesses he banked with had accepted this and removed markers. HSBC declined to uphold his complaint, and said it had sufficient evidence to refer him to Cifas.

Mr I escalated his complaint to our service where one of our investigators looked into what happened. They did not recommend that Mr I's complaint should be upheld on the basis that they felt HSBC had met the evidential threshold to register a Cifas marker against Mr I.

Mr I did not agree, and as no agreement could be reached 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.

HSBC, 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 I was for 'misuse of facility'. This relates to a customer's account being used to receive and send on fraudulent funds.

Cifas do accept that there are some circumstances where an individual may be duped into becoming what is known as a 'money-mule', and so its guidance does require members to speak to their customers to determine whether they were witting or not. It further requires members to have enough evidence to show that the consumer was aware that the payment they were receiving was, or might be, from an illegitimate source – though they do not need to know the exact provenance of such funds.

So, the relevant findings for me to make are whether I believe there is sufficient evidence to conclude than on balance, firstly, that the money sent to Mr I was as a result of a fraud; and secondly that Mr I was aware that the funds he received were or might be from an illegitimate source.

On the first finding, I think there is sufficient evidence that the funds were sent to Mr I as a result of a scam. The sending banks for two payments got in touch with HSBC to report the credits as fraudulent – and Mr I appears to accept that he had no real entitlement to the funds, but says he was duped into thinking that he did when he received them. So, I think this part of the evidential threshold has been met.

On the second finding, I think that the evidence shows that Mr I knew or ought reasonably to have known the funds were or might be from an illegitimate source. I will explain why.

I appreciate that Mr I does not appear to have been the original perpetrator of the scam. He has explained that he had received a message through a messaging app which told him about a job opportunity. He believed the role was as a financial assistant, and that his role would be to receive money into his accounts and send it to others who he thought were other employees. He was told he could earn a daily fee for doing this. He was not given any formal employment offer or contract, and he was not told what company he was working for. So, it does seem in the first instance Mr I could have been naïve and been tricked into being an unwitting money mule, despite the fact there were some elements of the offer that should have given him cause for concern from the outset.

However, by the time Mr I received the funds into his HSBC account, there had already been concerns raised by other financial institutions he banked with where he had received funds as part of this ‘job opportunity’. It appears that two financial institutions had blocked his account and asked for evidence of his entitlement to the funds, and he had spoken to the third party who had offered him the ‘job’ to ask what he should tell them. The third party told him to lie to his banks, which should have concerned Mr I. It was after this all happened that Mr I gave the scammer his HSBC account details. I think at this point Mr I ought to have known that the funds were or might be illegitimate. This is particularly so given the strange way in which the ‘job offer’ had come about, including the lack of information and documentation, which ought to have already given some cause for concern. Mr I did not respond to HSBC’s requests for information about the payments at the time, which I think further infers that he did have concerns at this time.

So, when considering all of this, I think that the evidential threshold for HSBC to refer Mr I to Cifas was met, and I will not be instructing it to remove the marker.

### *Account closure*

Mr I also complained about his account being closed. The terms and conditions of his account with HSBC allowed for immediate closure (as was undertaken in this case) in certain circumstances. This includes if the account is used for any fraudulent or criminal activity. Given what I have outlined above, I think that HSBC acted in line with the terms and conditions of Mr I’s account when it took the decision to close it.

### **My final decision**

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr I to accept or reject my decision before 8 May 2026.

Katherine Jones  
**Ombudsman**