

The complaint

Mr S complains that HSBC UK Bank Plc loaded a negative fraud marker against him. He'd like it removed and compensation for the impact.

What happened

Mr S made an application for a current account with HSBC.

However, on reviewing the application HSBC declined it. They also decided to load an application fraud marker against Mr S.

Mr S complained, but HSBC thought they'd acted fairly in rejecting the application and loading a negative fraud marker against Mr S.

One of our Investigators reviewed Mr S's complaint and asked HSBC for details regarding why they thought the application was fraudulent. HSBC explained that they believed the driving licence supplied by Mr S was fraudulent. Our Investigator considered this but after checking with the DVLA they were satisfied it was a genuine driving licence. And for this reason they concluded that HSBC acted unfairly in loading the negative fraud marker against Mr S. So they asked them to remove it.

HSBC initially accepted our Investigator's outcome, however later they declined to remove the marker and provided further evidence explaining why they thought the application was fraudulent.

This included evidence they alleged showed that Mr S had used three different identities to make applications with HSBC. HSBC believed that Mr S didn't answer a question accurately in his application about whether he'd had any previous names or aliases.

As HSBC didn't agree the case was passed to me to decide. On reviewing Mr S's case I reached a different conclusion to our Investigator. I explained to Mr S that I thought HSBC had acted fairly in loading the marker as I thought he'd failed to disclose previous names or aliases he was known by.

Mr S didn't agree, in summary he said:

- To prove intent, HSBC must show more than a visual similarity or a shared IP address. They must show that he personally accessed those accounts, authorised transactions, or benefited from them.
- As he's previously explained he has an identical twin brother and they could have applied for the other accounts. Plus he shared equipment with him which could explain the confusion.
- A fraud marker is a life-altering penalty. Mr S maintains that he never opened these accounts, nor used aliases or committed fraud.

- He's had lots of credit in the past but it's been removed after 6 years
- Mr S also asked for HSBC to remove an additional fraud marker they loaded, arguing they either need to change the category or remove it.

As Mr S didn't agree it's 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.

I'd like to reassure Mr S that I've read all the submissions he's made in response to my initial thoughts. But I won't comment on everything here – instead I'll focus on what I believe are the key points and whether I think HSBC have acted fairly in loading a negative fraud marker against Mr S.

Our Investigator explained the standards HSBC need to meet before loading a negative fraud marker, so I won't repeat this in full here. In summary they need to have clear, relevant and rigorous evidence that a fraud or financial crime was committed or attempted, and Mr S was complicit in this.

HSBC loaded a marker against Mr S for Application fraud - specifically alleging he didn't disclose information about aliases he's previously been known as. I've seen a copy of the answers Mr S provided to HSBC when applying for a current account in December 2024. As part of these answers Mr S advised HSBC that he hadn't been known by any previous names.

I've reviewed the evidence HSBC have submitted to support their position that Mr S was previously known under different names. This includes driving licences in two other identities, along with photographs of selfies taken at the time of the applications. HSBC have also shared evidence that one of the two other identities has adverse data recorded against their credit history.

Mr S has explained that he has an identical twin brother, and he believes the confusion has come from this. But he's only ever been known as Mr S. I've considered Mr S's argument that he has an identical twin brother. However, I've reviewed the photographs and driving licences shared by HSBC and I'm satisfied on balance that it's fair for HSBC to conclude these photographs are of the same person. I've also seen that in some correspondence with our service Mr S has signed off emails using one of the alias identities.

I'm confused about some of the responses Mr S gave our service regarding his passport and credit history. This includes why he didn't have any credit history prior to 2024. Mr S initially explained that between 2005 and 2020 he was living in New Zealand. But after being asked to provide a copy of his passport he advised our Investigator that he hadn't travelled abroad for several years, and so he couldn't provide one.

Mr S responded to my provisional thoughts by providing a further explanation for why he doesn't have any credit prior to 2024. It's true that there's no requirement for him to have had credit during this period, but along with the other evidence HSBC provided it does support that Mr S has other identities. What also concerns me is the inconsistency of Mr S's explanations. After originally advising that he was out of the country up until 2020, Mr S has now advised that due to mental health struggles his accounts defaulted in 2018 and this wouldn't appear on HSBC's searches due to the timeframe.

For the reasons I've explained above I'm satisfied that it's more likely than not that Mr S failed to disclose previous identities he's been known as when making the application to HSBC. And he did so with the intent to avoid negative credit information recorded against one of his two aliases. It follows I'm satisfied HSBC acted fairly in loading the negative fraud marker for application fraud against Mr S.

Since bringing his complaint to our service Mr S has also raised that he believes another fraud marker has been recorded incorrectly by HSBC. I'm afraid for the reasons I've outlined above I can't conclude HSBC acted unfairly when recording any negative fraud markers against Mr S as a result of the application.

For the reasons outlined above I won't be asking HSBC to do anything further here.

My final decision

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

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

Jeff Burch
Ombudsman