

## **The complaint**

Mr F has complained that National Westminster Bank Plc registered a marker against him at CIFAS, the national fraud database.

## **What happened**

In mid-2021, Mr F received a total of around £1,000 from victims of fraud, which he forwarded to a cryptocurrency platform. NatWest tried to discuss the matter with him but received no reply. They registered a marker against him at CIFAS.

In 2023, Mr F came to our service. He explained the money was from a friend who owed him £400. He didn't want to say who the friend was. He had no record of any contact with this friend as it was all over Snapchat. He had no evidence of lending the money, and when we asked him when he lent it he didn't answer. He said he wasn't suspicious about the money coming from two strangers with different names to his friend, as his friend told him he was sending the money through family. He later said his friend told him the money was from colleagues. He was unable to evidence what he did with the money next.

Our adjudicator looked into things independently and didn't uphold the complaint. Mr F asked for an ombudsman to look at his case afresh, so the complaint'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.

In order to register this marker, NatWest were not required to prove beyond all reasonable doubt that Mr F had done something wrong. They did need to have reasonable grounds to believe that he'd misused his accounts, which went beyond a suspicion or concern, and which had appropriate supporting evidence. Having carefully considered everything that both sides have said and provided, I think NatWest did have sufficient grounds to register this marker. I'll explain why.

It's not in dispute that Mr F received and paid on the money involved. And NatWest received independent reports that the funds he received and paid on were the proceeds of fraud.

Mr F forwarded the fraudulent funds on to a cryptocurrency platform in such a way that the money could not be recovered. The way he did so is consistent with what I'd expect from someone who was party to the fraud itself or who was acting as a money mule.

It's not clear what happened to the money next, as when we asked Mr F for statements from his cryptocurrency account he only sent us a screenshot showing that he had an account with a different crypto platform. But he confirmed he sent the fraudulent money to his own crypto account. And he didn't return the money to the victims. So as far as I can tell, Mr F seems to have been the main beneficiary of the fraud.

NatWest tried to discuss the matter with Mr F at the time, but he didn't reply. It wouldn't make sense for Mr F to choose not to engage with his bank if he thought the payments were genuine. His accounts had been blocked and NatWest had returned his remaining balance to the victims. So Mr F would've been highly motivated to speak to NatWest – he would want to find out why this was happening and would want to try to get his accounts unblocked and his money returned. But it would make sense for him to avoid discussing the matter if he knew he was taking part in illicit activity.

Mr F said the money was owed to him by a friend. But he said he lent the friend around £400, and the money he received was around £1,000. His testimony has been contradictory in other places, such as what he said his friend told him about where the money came from. Further, there's no evidence of him lending this money in the first place. I can't find any corresponding payment in his statements and he did not even answer us about when the lending took place. Indeed, he's been unable to provide any evidence of the lending or of any contact with this friend at all. I accept that many people use Snapchat for some of their communication, and that conversations auto-delete. But it is not plausible that Mr F would have absolutely no evidence of contact with this friend – no texts, emails, WhatsApp messages, social media messages and so on – if he was so close to this person that he was willing to lend them hundreds of pounds. Indeed, as Mr F has refused to give any details about this friend beyond their first name, we have no evidence this person even exists.

Mr F felt he was being treated unfairly just for saving his money in crypto. To be clear, the issue here is not that he uses crypto in and of itself. It's that he received the proceeds of fraud, forwarded them on in such a way that they couldn't be recovered, wouldn't discuss the matter when his bank tried to investigate, didn't show what he did with the money, gave implausible and contradictory testimony, and has been unable to evidence any entitlement to the money even when it should've been relatively straightforward to evidence. So taking everything into account, it seems fair that NatWest registered a marker against him at CIFAS. It follows that it was also fair they closed his accounts, which they were allowed to do under the terms. This is a difficult message for me to give, and I know it's a difficult message for Mr F to receive. But given the evidence I have, and the balance of probabilities, I'm unable to reasonably reach any other conclusion.

### **My final decision**

For the reasons I've explained, I don't uphold Mr F's complaint.

This final decision marks the end of our service's involvement in the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 11 October 2023.

Adam Charles  
**Ombudsman**