

## The complaint

Mr N complains that HSBC UK Bank Plc (“HSBC”) have failed to refund the money he lost as part of an investment scam.

Mr N has a representative but for ease of reading I will mainly just refer to Mr N.

## What happened

The details of this complaint are well known to both parties, so I will not repeat everything again here. Instead, I will focus on giving the reasons for my decision.

In summary though, Mr N found an advert for a trading platform that I will call B. Mr N made a number of faster payments to an account he held with another firm. The total of these payments was over £450,000 and took place between December 2022 and January 2023. My understanding is that the funds were then sent on from the other firm to a crypto exchange were converted into crypto and were sent on to B

Mr N asked HSBC to refund these payments as he believes HSBC should have done more to prevent him from being scammed. HSBC did not agree with this.

I issued a provisional decision on 14 March in which I said the following;

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Mr N authorised the disputed payments he made from his HSBC account even if he says that the scammer sent them on his behalf, The payments were requested by him using his legitimate security credentials provided by HSBC, and the starting position is that HSBC ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.*

*However, I've considered whether HSBC should have done more to prevent Mr N from falling victim to the scam, as there are some situations in which it should reasonably have had a closer look at the circumstances surrounding a particular transaction. For example, if it was particularly out of character.*

*HSBC intervened on several occasions and each time Mr N provided misleading answers. There are a number of calls that I have listened to, and each time Mr N was asked about the payments, Mr N gave answers that were evasive. Mr N was clearly being coached by the scammer and I think the answers that he gave were designed to prevent HSBC from being aware of what Mr N was doing.*

*I note that the investigator said that one call in particular (29 December 2022) should have made HSBC stop the scam. I have listened to this call and the advisor at HSBC said to Mr N that he feared that Mr N was being scammed and that Mr N should not make the payment. In response Mr N said it was his money and he wanted to make the payment. Given this I don't think that HSBC could really have done more.*

*I also should add that Mr N was so under the influence of the scammer and so even if HSBC had blocked the payments to the other firm due to the call on 29 December 2022, I think that Mr N would have found other ways to send funds to B.*

*So even if HSBC ought to have done more, it seems likely he would have given misleading information and proceeded to make the transactions irrespective of any intervention.*

*I've also thought about whether HSBC could have done more to recover the funds after Mr N reported the fraud, but the funds were sent on from Mr N's account with a different firm. Also, the contingent reimbursement model does not apply to transfers made to accounts held by the same person, so I don't think the funds could have been recovered either.*

*So overall I currently don't think that HSBC is responsible for Mr N's loss.*

Neither party responded with any new points in relation to my provisional decision.

### **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.

As neither party has raised any new points, I see no reason to change the outcome of my provisional decision. Therefore, in summary for the reasons set out above I don't think HSBC is responsible for Mr N's loss as any further intervention from it would not have stopped the scam and I don't think that HSBC could have recovered the funds via other means.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 25 April 2024.

Charlie Newton  
**Ombudsman**