

The complaint

Mr H and Mrs P complain that HSBC UK Bank Plc ('HSBC') won't refund the money they say was lost as the result of a scam.

What happened

Mr H and Mrs P say they invested in a company I'll refer to as R. Mr H and Mrs P say R were offering shares as part of a public offering prior to R being listed on the FTSE500.

These are the payments Mr H and Mrs P made from their HSBC account.

Date	Details of transaction	Amount
16.8.2021	Payment to R	£10.00
16.8.2021	Payment to R	£9,090.00
16.8.2021	Payment to R	£10,000.00
16.8.2021	Payment to R	£900.00

Through a professional representative, Mr H and Mrs P raised a fraud claim with HSBC in September 2023. Mr H and Mrs P say they received no returns in relation to their investment, and asked HSBC to refund them.

HSBC declined to refund Mr H and Mrs P saying the payments appear to have gone to a cryptocurrency account in Mr H and Mrs P's name.

Mr H and Mrs P weren't happy with HSBC's response, so they brought a complaint to our service. As part of their complaint, they also referred to investments made in 2019 and 2020 to a separate company.

An investigator looked into Mr H and Mrs P's complaint but didn't uphold it. The investigator explained that the payments made in 2019 and 2020, were considered by our service under a separate complaint, so wouldn't be considered as part of this complaint. And, as there was no evidence provided in relation to the payments Mr H and Mrs P made in 2021, the investigator wasn't satisfied they could fairly say the payments were made as part of a scam.

Mr H and Mrs P disagreed with the investigator's opinion and asked for an ombudsman to review the complaint.

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'm really sorry to disappoint Mr H and Mrs P, but I've reached the same outcome as the investigator. I'll explain why.

The payments Mr H and Mrs P made in 2019 and 2020, have been considered as part of a separate complaint, so I'm unable to consider them as part of this complaint.

Based on the evidence, I'm satisfied that the payments Mr H and Mrs P made in 2021, didn't go to a cryptocurrency account held in their name. It's more likely than not the payments went to an account held in R's name.

But, Mr H and Mrs P haven't provided any evidence that suggests they were victims of a scam.

Mr H and Mrs P have provided an email which sets out the bank details for R, but it doesn't say what the payments are being made for. Also, there is no other evidence to show what the agreement was between Mr H and Mrs P and R, what was promised by R in return for the payments, or any communication between them and R.

Unfortunately, without this evidence I can't fairly say that Mr H and Mrs P have been the victims of a scam.

Mr H and Mrs P say that HSBC should've intervened when they made the payments, and this would've prevented their loss. But without the evidence referred to above, I can't fairly say that intervention by HSBC would've made a difference.

It's unclear what information Mr H and Mrs P would've given if HSBC had asked questions about the payments, and whether HSBC would've identified a potential risk of financial harm as a result. Because of this, I can't fairly say HSBC could've or should've prevented Mr H and Mrs P from making these payments.

If material new evidence comes to light at a later date, Mr H and Mrs P can ask HSBC to reconsider their fraud claim.

Based on the evidence provided, I'm not satisfied that I can fairly ask HSBC to refund Mr H and Mrs P.

My final decision

My final decision is that I don't uphold this complaint against HSBC UK Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs P to accept or reject my decision before 2 January 2025.

Lisa Lowe
Ombudsman