

## **The complaint**

Mr W complains HSBC UK Bank Plc didn't do enough to protect him when he fell victim to a cryptocurrency investment scam.

## **What happened**

Mr W has an account with HSBC. He's been a customer for over 25 years. He also has an account with a business who I'll refer to as "R" throughout the rest of this decision. He says he opened during the scam at the scammer's suggestion.

Mr W says he saw an advert on a well-known social media platform about investing in cryptocurrency which he clicked on. He says he subsequently received a call and based on what he was told he was satisfied that the investment was genuine. He says he was told that the minimum investment was £200, so he went ahead and invested this. Shortly afterwards he says that he was told he'd made a £3,000 profit on this initial investment. He says he was then pressurised into making over £85,000's worth of payments to the investment – and was pressurised into taking out a £20,000 "home improvement" loan from HSBC. Shortly afterwards he says he was told he'd made a £330,000 profit but he'd need to pay a liquidity fee in order to withdraw his funds. Mr W says he realised he'd been scammed when all of his money disappeared. He contacted HSBC and R.

HSBC said that it had provided appropriate warnings based on what Mr W had said when he'd asked to make the payments he did, so it hadn't done anything wrong. HSBC also said that as he'd sent all of the payments he was complaining about to his account with R, that it couldn't be liable and that he should contact R. R also said that it hadn't done anything wrong as it had stopped his payments several times and given him appropriate warnings based on what he'd told them about the payments. R managed to recover a very small amount of money but said that there was nothing more it could do. Mr W was unhappy with R's response and complained to our service. Following our involvement, he also complained to HSBC's whose response he was also unhappy with – so he brought that complaint to our service too.

One of our investigators looked into both of Mr W's complaints. They said that HSBC had intervened and given warnings and, based on what he'd said, these warnings were proportionate and there was also nothing more that HSBC could have done as he was clearly being guided by the scammers and under their spell. They came to a similar conclusion in relation to Mr W's complaint against R.

Mr W wasn't happy with our investigator's recommendations, and got a representative involved. They said that both HSBC and R should have asked more probing questions. Had they done so, according to Mr W's representative, the scam would have been uncovered. The investigator didn't agree and so Mr W's representatives asked for his complaints to be referred to an ombudsman for a decision. His complaints were, as a result, passed to me. This decision deals with Mr W's complaint against HSBC.

## **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.

No-one, as far as I can see, is disputing that Mr W made a series of large payments over a very short period of time. He made six payments from his account with HSBC to his newly opened account with R totalling just over £62,000 in 10 days. Over a period of two days, he transferred £40,000 of that £60,000. I am, however, satisfied that HSBC stopped these payments and gave him appropriate warnings – based on what Mr W answered which, sadly for him, was based on what the scammer had told him to say – as well as highlighting the hallmarks of the types of scams it was seeing. Those warnings highlighted, amongst other things, a third party telling you to open up a new account or helping set one up as well as returns that are too good to be true as signs of a scam. It's clear from what Mr W has told us that he ignored these warnings as that's what the scammer had told him to do – based on the evidence he's given us it's clear he was completely under their spell and there was nothing HSBC could have done to break that spell. In the circumstances, I agree with our investigator that this isn't a complaint we can uphold.

## **My final decision**

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 28 December 2024.

Nicolas Atkinson  
**Ombudsman**