

The complaint

Mrs B complains that HSBC UK Bank Plc (HSBC) is refusing to refund her the amount she lost as the result of a scam.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mrs B tells us that she was following a well-known actor on social media and commented on a post. Mrs B was then contacted by what appeared to be the actor via the social media's messaging service. However, Mrs B was in fact talking to a scammer.

Mrs B and the scammer continued to talk for several weeks before the scammer started to request money from Mrs B giving multiple different reasons that included:

- Charity donation
- Funding a meet and greet
- Legal payment
- IRS payment
- Property deposit
- Payment to release funds
- Utility bill

After seeing another post on the real actor's social media page Mrs B questioned the scammer about an event that it showed he had attended but was unable to get a response.

Mrs B then messaged the real actor directly on social media. The real actor responded to Mrs B and it became clear that she had not been speaking to him but instead had fallen victim to a scam.

Mrs B has disputed the following payments:

Payment	Date	Payee	Payment Method	Amount
1	19 July 2023	Individual 1	International transfer	£775.68
2	9 August 2023	Individual 1	International transfer	£8,017.38
3	17 August 2023	Individual 1	International transfer	£9,715.64
4	28 August 2023	Individual 1	International transfer	£24,659.25
5	8 September 2023	Individual 1	International transfer	£10,000.05
6	27 September 2023	Individual 2	International transfer	£8,278.15
7	2 October 2023	Individual 2	International transfer	£4,156.28
8	3 October 2023	Individual 1	International transfer	£6,031.61
9	26 October 2023	Individual 2	International transfer	£4,152.82
10	28 October 2023	Individual 2	International transfer	£5,823.62
11	16 November 2023	Individual 1	International transfer	£3,640.77
12	3 April 2024	Individual 3	International transfer	£794.28

HSBC considered Mrs B's complaint and agreed it could have done more to protect her, but also said Mrs B should also have done more to protect herself and agreed to refund Mrs B 50% or her loss. Initially HSBC paid Mrs B a lower amount than it agreed and has explained that the higher amount was a mistake. As HSBC did previously agree the higher refund amount it has since agreed to refund the higher amount.

Our Investigator considered Mrs B's complaint and thought HSBC had offered a fair outcome to her complaint. So, our Investigator didn't think Mrs B's complaint should be upheld. Mrs B disagreed, so this complaint has 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.

It has not been disputed that Mrs B has fallen victim to a cruel scam. The evidence provided by both Mrs B and HSBC sets out what happened. What is in dispute is whether HSBC should refund the money Mrs B lost due to the scam.

Recovering the payments Mrs B made

Mrs B made payments into the scam via international transfers. When payments are made by international transfer HSBC has limited options available to it to recover the payments. It is most likely that the funds Mrs B sent to the scammer were moved very shortly after they were received. So, considering the time between Mrs B making the payments, and advising HSBC of the scam, I think it's unlikely any funds would remain in the recipient account to be recovered.

I have also considered if Mrs B should have received a refund under the Contingent Reimbursement Model (CRM) code. But the CRM code only applies when domestic payments (as the result of a scam) are sent to another person. Here Mrs B sent the payments by international payment. So, I'm satisfied the CRM Code wouldn't apply in this scenario.

Should HSBC have reasonably prevented the payments Mrs B made?

It has been accepted that Mrs B authorised the payments that were made from her account with HSBC, albeit on the scammer's request. So, the starting point here is that Mrs B is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether HSBC should have been aware of the scam and intervened. And if it had intervened, would it have been able to prevent the scam taking place.

The first payment Mrs B made into the scam was for a relatively low value that I wouldn't have expected to have caused HSBC concerns. However, HSBC accepts that the larger payments that followed were suspicious, and it should have had concerns which should have prompted it to intervene.

Had HSBC intervened, as it accepts it should have, I think it's most likely the scam would have been prevented. I say this because it doesn't appear that Mrs B was given a cover

story to tell HSBC if it intervened and I think had Mrs B told HSBC the reasons she was making payments it would have had concerns that would likely have led to the scam being uncovered.

Did Mrs B contribute to her loss?

Despite regulatory safeguards, there is a general principle that consumers must still take responsibility for their decisions (see s.1C(d) of our enabling statute, the Financial Services and Markets Act 2000).

It's clear that Mrs B was trying to help someone she felt was in need. But in the circumstances, I do think it would be fair to reduce compensation by 50% on the basis that Mrs B should share blame for what happened. Mrs B did complete some research about the scammer and was provided with some documentation, but I think it should have been a red flag to Mrs B that a successful actor with a reasonably high net worth would reach out to someone he had never met in person for help with a financial matter.

Mrs B also made payments in relation to a property deposit, the release of funds and a payment to the IRS. All these transactions would have involved professional institutions such as a legal firm, the IRS in general and a bank. Considering the amount of money Mrs B was sending to help someone that again she had never met in person, I think it would be reasonable for her to have carried out further due diligence first, for example by contacting the legitimate institutions and questioning the legitimacy of the requests.

I also think that if a successful actor, like the one Mrs B thought she was speaking to was, as he said, going through a breakup with his partner at the time and was unable to access any funds to pay for things such as utilities, that information about this would likely be in the public domain and in the news. An online search would have shown this not to be the case which again should have caused concerns.

Had Mrs B carried out further research, and even gone as far as taken independent advice, whether that be formal, or from friends and family I think it is likely she too could have prevented the scam.

HSBC has refunded 50% of the payments Mrs B made in relation to the scam. As I don't think HSBC was required to refund any of payment 1 and is responsible for 50% of the remaining payments, HSBC has already done more than I would ask it to, had this complaint been brought to our service with no offer being made.

As HSBC has already done more than I would ask it to in relation to Mrs B's complaint I won't be asking it to do anything more.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 22 August 2025.

Terry Woodham
Ombudsman