

## **The complaint**

Miss W complains that HSBC UK Bank Plc won't refund the full amount of money she lost to a scam.

## **What happened**

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Miss W complains that from 4 May 2023 she sent several payments to what she thought was a legitimate cryptocurrency investment. When Miss W lost contact with where she thought her money was invested, she realised she'd been scammed. So, Miss W raised a complaint with HSBC.

HSBC investigated the complaint but didn't uphold it. HSBC said the payments made to the scam were not deemed suspicious. As Miss W remained unhappy, she brought her complaint to our service.

Several of our investigators looked into the complaint and didn't uphold it. They all found there was insufficient evidence to show Miss W suffered a loss. This was due to Miss W not being able to supply information from all her cryptocurrency wallets, to show the money was moved on to scammers and not returned.

As no formal agreement could be reached, the 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.

Having done so, I've reached the same outcome as our investigator's, for largely the same reasons. I'll explain why.

I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the significant part here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

In line with the Payment Services Regulations (PSR) 2017, consumers are generally liable

for payments they authorise. HSBC is expected to process authorised payment instructions without undue delay. As a bank, they also have long-standing obligations to help protect customers from financial harm from fraud and scams. However, there are many payments made by customers each day and it's not realistic or reasonable to expect a bank to stop and check every payment instruction. There's a balance to be struck between identifying payments that could potentially be fraudulent, and minimising disruption to legitimate payments.

Those obligations are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether HSBC is responsible for the loss Miss W claims to have suffered if, indeed, she has been scammed and can evidence this money was lost and not returned. And I'm not persuaded that I have enough evidence to conclude that she was scammed and suffered a loss. I'll explain why.

As several investigators have correctly pointed out, to come to a fair outcome with a complaint, we need to see evidence of a loss. Here Miss W used multiple cryptocurrency platforms and wallets but has been unable to show balances or statements. Unfortunately, emails to show deposits being made to wallets isn't enough to show those funds were moved on to a scammer and created a loss (and how much that loss is).

Miss W's representative has sent us what it says is a trace report showing the wallets the funds were moved in to. I've considered this report carefully, but I'm not satisfied it shows Miss W moving the funds out of her wallet, who it went to, and that it created a loss that correlates to the scam Miss W says she fell victim to.

Although Miss W has sent some evidence of conversations with the scammer, I'm unable to see a full record of what amounts were invested and when. Where a small number of payments are mentioned by the scammer and it appears Miss W followed their instructions, these then don't match with the date's payments left her account. Given the number of payments and wallets Miss W says she sent payments to, I'd expect to see more evidence of the scammers requesting payments, details of where to send the money to and full wallet addresses. Our investigators have been clear on why these are required and given Miss W and her representative several opportunities to get them.

As more than one crypto platform was used in the scam, it's important we see an audit trail across all those platforms to evidence funds were eventually passed to the scammer. In this complaint, only partial information concerning the withdrawal history from the one platform has been sent to us. In these circumstances, it would be unfair to consider asking HSBC to potentially pay back a loss that I can't say with any certainty happened and how much it was for.

Miss W thinks that HSBC should refund the money she lost. I understand that this will have been frustrating for her. But I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think HSBC needs to pay Miss W any compensation. I realise this means Miss W is out of pocket and I'm sorry she's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 19 August 2025.

Tom Wagstaff  
**Ombudsman**