

## **The complaint**

Mrs K complains HSBC UK Bank Plc won't refund the full amount of money she says 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. In summary, Mrs K fell victim to a several investment scams.

When Mrs K realised he had been scammed, she logged a complaint with HSBC.

HSBC looked into the complaint but didn't uphold it. So, Mrs K brought her complaint to our service.

Our investigator looked into the complaint but also didn't uphold it. Our investigator didn't think any of the payments ought to have concerned HSBC.

Mrs K didn't agree with the investigator's view. As no informal 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.

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.

I've thought carefully about whether HSBC treated Mrs K fairly and reasonably in its dealings with her, both when she made the payments and when she reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold this complaint. I know this will come as a disappointment to Mrs K and so I want to explain why I've reached the decision I have.

I have kept in mind that Mrs K made the payments, and the starting position is that HSBC should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance. However, there are some situations when a business should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant law and regulations; regulators' rules, guidance, and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time – HSBC should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams.
- Have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so.

These obligations are all based on there having been a scam taken place, and here I don't find Mrs K has sufficiently evidenced she was scammed and suffered a loss.

Mrs K hasn't been able to supply any conversations with the scammers or any evidence of anyone asking her to pay money that resulted in a loss. From the evidence I've seen, it shows Mrs K making cryptocurrency transfers and then receiving returns into her account.

Mrs K has supplied a small number of emails, but these don't evidence the number of payments Mrs K said she made to the scammers.

Having said that, even if I were to be convinced Mrs K was scammed and it created the loss she is claiming for, I don't find HSBC has done anything wrong in the circumstances of the complaint. I'll explain why.

I have reviewed the payments Mrs K says she made to the scam. Having considered when they were made, their value and who they were made to, I'm not persuaded HSBC ought to have found any of the payments suspicious, such that it ought to have made enquires of Mrs K before processing them. None of the payments reached an individual value that I find ought to have concerned HSBCs and its automatic checking systems.

Mrs K's representative has said she was vulnerable at the time of making the payments, as she was an inexperienced investor. Having considered this point carefully, it doesn't change the outcome I've reached. I'm still satisfied that there was nothing about the payments Mrs K made that ought to have concerned HSBC enough to proactively contact her.

As the payments were made to accounts in Mrs K's own name, no recover would be possible. If any money remained in those accounts, Mrs K would be in a position to transfer it back herself.

### **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 Mrs K to accept or reject my decision before 21 October 2025.

Tom Wagstaff  
**Ombudsman**