

## The complaint

Mr C complains that HSBC UK Bank Plc ('HSBC') won't reimburse the funds he lost when he fell victim to a scam.

## What happened

The investigator set out the facts in detail so I will only summarise them here.

Mr C holds a business account with HSBC.

Mr C says that a business contact introduced him to an investment with a company I'll refer to as V in this decision. This contact set up a meeting with a few other potential investors, the head of trading and a fund manager I'll refer to as J. Mr C understood the investment was in foreign exchange and that he could expect a return of 5 to 10% a month depending on trading performance.

Mr C made the following payments directly to J. The payments then showed on V's platform.

Transaction	Date	Amount
1	06/06/22	£5,000
2	07/06/22	£5,000
3	12/08/22	£200
4	20/12/22	£5,000
5	21/12/22	£5,000
Total		£20,200

Mr C says that there were weekly webinar meetings as well as messages and emails to update him about the progress of his investment. He says he realised he was the victim of a scam when he was told the FCA had stopped V from trading and were conducting an investigation. Through a professional representative, Mr C complained to HSBC in March 2024.

HSBC attempted to recover funds from the beneficiary bank but was unsuccessful.

Mr C was unhappy with HSBC's response and brought a complaint to this service.

### *Our investigation so far*

The investigator who considered this complaint didn't recommend that it be upheld. Whilst she was satisfied V operated a scam, the investigator said that there was no evidence that the payments Mr C disputed were made in connection with an investment with V. The investigator also raised concerns about the source of funds given that there were a lot of credits from multiple sources including third parties in the period leading up to the scam. She noted that although she had requested information and evidence about the source of funds, not enough had been provided to fairly establish how much of the loss claimed, if any, represents a loss to Mr C.

Mr C, via his professional representative, didn't agree with the investigator's findings. He said:

- There is evidence to link a payment of £20,000 from another account held by Mr C with V but he is unable to locate any other deposit confirmations. Mr C pointed out that communications with representatives of V were via online meetings and calls and he no longer has access to V's dashboard.
- He made personal deposits to V from his own account. Mr C says he received deposits directly to his V account from third parties, which explains why some of the deposit confirmations refer to amounts that are larger than the payments he made from his accounts.
- The money transferred to J was his own. The funds he received were due to him for services already provided and were not loans or investments made on behalf of others. Mr C was engaged in a separate investment scheme with a company I'll call T. A feature of that investment was a peer-to-peer internal transfer system through which participants could sell stock internally. Mr C sold portions of his stock and received payments from multiple third-party buyers into this account. The funds were then transferred to his account with V and invested for his own benefit. T's online system is no longer working, and he has no other record of the transactions.
- He received funds from an inheritance. Mr C also owned buy-to-let properties and received payments from tenants and letting agencies.

### **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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account 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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – in other words on what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

Having carefully considered the information provided I have reached the same outcome as the investigator and for the same reasons.

The first thing I need to decide is whether Mr C has suffered a loss that HSBC could be held responsible for. So, I need to be satisfied that the payments Mr C has asked HSBC to reimburse were lost to a scam involving V, as he has claimed. But Mr C hasn't provided any evidence at all that links these transactions with an investment with V. He has sent this service deposit confirmation emails from V that were sent to him in early November 2022. Each one refers to a trading start date of 14 November 2022. The confirmations relate to payments of £20,000, £15,000, £12,390, £15,000, £10,000, £20,000, £10,000 and £10,000. The first two £5,000 payments Mr C has asked HSBC to reimburse were sent five months before these confirmation emails, and the other two £5,000 payments were sent the following month. In the circumstances, I'm not persuaded they demonstrate that the funds Mr C sent to J in June, August and December 2022 related to an investment with V.

Mr C has been unable to provide any other information to link the transactions he made to J to an investment with V. The information he has provided in terms of brochures don't show the particular payments I have been asked to consider relate to an investment Mr C made with V. I also note that Mr C now says that evidence provided in respect of V which shows a rate of return of 21% a month didn't influence his decision to invest. So it's difficult to be

satisfied the information about V that Mr C has provided to this service relates to his own investment.

I also note that transactions one, two and three show a reference that says "Loan" and Mr C's name. The final two payments also show a reference of "Loan" but then four letters. Mr C says these letters are the initials of his sister. I understand that Mr C says he was told to use the loan reference for tax implications and the payments related to an investment with V, but on the evidence provided I'm not persuaded this is the most likely scenario.

Even if Mr C could prove that the funds he sent to J were intended to be used to invest in V, I'm not persuaded Mr C has evidenced that the loss was his. As the investigator has highlighted, he received funds from numerous third parties. Mr C has told this service that some credits to the account related to a separate investment scheme with T and a service he provided. He hasn't evidenced this in any way though and says that T's online system is no longer working and he has no other records. Given these payments were from a business account I'd expect Mr C to retain records of some form.

Mr C says that he also received credits from tenants but, again, has provided no evidence in support and says he no longer has tenancy agreements. Finally, Mr C says that funds from his sister relate to an inheritance, but he hasn't evidenced this. The reference for the last credit from his sister just before the December payments to J mentions T rather than inheritance. The subsequent payments to J say "Loan" and then his sister's initials. So I think it's more likely that Mr C was passing on funds at this stage.

As Mr C hasn't proven that his funds were lost in a scam and his entitlement to them, or provided satisfactory proof of funds, I am unable to consider whether HSBC should reimburse him.

### **My final decision**

For the reasons set out, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 20 November 2025.

Jay Hadfield  
**Ombudsman**