

The complaint

Mr B complains that HSBC UK Bank Plc won't refund him money he says he lost in an investment scam.

What happened

The circumstances surrounding this complaint are well-known to both parties, so I haven't set them out in detail here. Instead, I've summarised what I consider to be the key points.

Mr B says he set up an account with an investment broker because he wanted to trade. But he says the instructions he gave weren't followed correctly, for example, if he put in an order to sell an investment, the broker purchased an investment and if he wanted to sell, the order was processed as a purchase. He thinks this was deliberate. Mr B also says the broker didn't explain how risky the investments were and it didn't explain issues like leverage and the spreads that applied to the orders he placed. When he raised the issue with the broker, he says it didn't respond to him at all.

Mr B made 40 debit card payments to the broker, between 27 January 2025 and 7 May 2025, ranging in value from £50-£300 per payment. Mr B also received some small amounts as returns on his investment. In total, Mr B says he has lost £6,396.06.

Mr B was dissatisfied, so he contacted HSBC and asked it to chargeback the payments he had made to the broker under the relevant card scheme rules. He says he provided screenshots showing some of the trades, to support his claim.

HSBC didn't refund Mr B. He says it didn't ask him for any evidence; he was simply told HSBC couldn't pursue these claims for him. HSBC did give him £50 to compensate for some difficulty he had communicating with it.

HSBC says Mr B didn't have chargeback rights under the relevant card scheme rules because the payments were made to the correct payee and credited Mr B's investment account. The payments would be considered to have been correctly paid at the point Mr B's investment account was credited.

Our investigator didn't uphold Mr B's complaint. He said he wasn't persuaded Mr B had been the victim of a scam. He noted that the broker was regulated by the Financial Conduct Authority (FCA) and while it dealt with high-risk investments that could lose customers all their money, there was nothing to suggest what it was doing was illegal or that it was operating a scam. He did accept that some regulators in different countries have expressed concerns about the broker, but he thought it was important that the UK regulator had not. Overall, he considered the evidence suggested Mr B had been dealing with a genuine broker but had unfortunately lost all his money trading.

He didn't think the trades were sufficiently unusual that HSBC ought to have intervened and stopped them or asked questions about the payments. He noted the payments were relatively low in value and not so frequent that they would have caused HSBC to think Mr B might be falling victim to a scam.

In terms of Mr B's request that HSBC should chargeback the payments, the investigator didn't think HSBC had done anything wrong. He agreed that HSBC wouldn't have had valid chargeback rights in this instance, because Mr B's payment instructions had been carried out correctly and his money was able to credit his investment account with the broker.

Mr B didn't accept the investigator's assessment and so the complaint has been passed to me for an ombudsman's decision.

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.

Is there sufficient evidence to show Mr B has been the victim of a scam?

I understand that Mr B has lost money through trading with his broker, but that doesn't necessarily mean he has been the victim of a scam. Having considered the evidence Mr B has provided, I agree with the investigator that there is very little evidence that Mr B has been the victim of a scam here and not enough evidence to persuade me that Mr B's complaint should be upheld. I shall explain why.

The evidence Mr B has provided is largely made up of some screenshots showing a message he sent to the broker which contains details of some transactions he made from his broker account. Mr B says the broker processed these as "sell" transactions, but he says in his message to the broker that he had pressed "buy" when attempting to make the trades. I can't see anything further that corroborates his version of events, so there is very limited evidence that these transactions were actually processed incorrectly, let alone that they were deliberately processed incorrectly as part of a scam.

The broker is regulated by the FCA for certain activities, so if there was strong evidence the broker was carrying out a scam, I consider it likely the FCA would have acted. I can't see that the FCA has taken any action against the broker though. While I have seen a number of online reviews, which are mixed, I haven't seen sufficient evidence to persuade me this is a scam.

As I'm not persuaded Mr B has been the victim of a scam, I can't reasonably conclude that HSBC failed to prevent the scam. But even if I thought there was enough evidence to persuade me that Mr B had been the victim of a scam, I don't consider HSBC has done anything wrong.

I agree with the investigator that, overall, HSBC didn't need to intervene to prevent any of the payments or to ask further questions about them. Mr B did make a lot of payments, 40 in total, but they were all low value payments and they were spread out over the course of around three and a half months. I can also see that some very small returns were credited back to his HSBC account from the broker, so overall I think this would have appeared to be a relatively low risk series of payments.

In any event, even if HSBC had intervened in this series of payments, I'm not persuaded it would have stopped Mr B from investing. Had HSBC asked probing questions about the payments and established that Mr B was investing in high-risk investments, it might have asked whether he had been promised high returns, whether he had been asked to download any remote access software and other questions designed to identify whether he was at risk of being scammed. I consider it unlikely any intervention or questioning of Mr B would have revealed anything of concern. Rather, the available evidence indicates Mr B was making a legitimate investment to a legitimate, FCA-regulated business and carrying out the trades

himself.

Chargeback claims

I consider HSBC wasn't at fault when it declined to raise chargeback claims with the broker. I would expect it to raise chargeback claims where there was some evidence to support such claims and where there were valid chargeback rights, for example. But I wouldn't expect it to raise chargeback claims where money had been sent from HSBC to credit a customer's investment account with a legitimate business and the customer confirmed he had been able to access the money and use it to make investment trades, as is the case here. There would be no valid grounds for making chargeback claims in these circumstances and no realistic prospect of such a claim succeeding, so I wouldn't have expected HSBC to attempt chargebacks.

Overall, while I'm very sorry Mr B has lost his money, I'm afraid there just isn't enough evidence to show that he lost his money as a result of a scam or that HSBC ought to have realised it was a scam and prevented it. Nor is there sufficient evidence to show me that HSBC was at fault in not attempting to chargeback Mr B's transactions where it was clear they had successfully been paid to the correct payee, credited Mr B's account and being used by him to make trades in investments.

My final decision

I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 17 December 2025.

Greg Barham
Ombudsman