

## The complaint

Mr S complains that HSBC UK Bank Plc won't refund him the money he says he lost in a work tasks scam.

## What happened

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

Mr S says he was involved in working as an agent for a company, rating retail goods for merchants to increase their visibility and boost sales. He would receive a commission for completing tasks. Sometimes he was asked to complete special tasks that attracted more commission, but this required him to make deposits of money to an account with the company, which he was told could be withdrawn along with the commission when the tasks were complete. The value of his commissions had built up to around £100,000. He was asked to pay a fee and when he tried to withdraw money, he was given excuses, and was unable to withdraw his commission or the money he had deposited. It was at this point he realised he had been the victim of a scam.

Mr S made some of the deposits by making card payments from his HSBC account to various accounts he was instructed to send money to by the scammers. He says he was told to give inaccurate answers to HSBC if it asked questions about any of the payments. He says he made the following payments as part of this scam.

Date	Amount	Payment type	Destination
17/12/2024	£63.89	Card payment	Authorised payment institution
18/12/2024	£129.03	Card payment	Authorised payment institution
18/12/2024	£507.57	Card payment	Own EMI account
23/12/2024	£1,450.00	Card payment	Authorised payment institution
27/12/2024	£1,378.00	Card payment	Authorised payment institution
27/12/2024	£1,702.99	Card payment	Authorised payment institution
28/12/2024	£1,124.99	Card payment	Authorised payment institution
30/12/2024	£5,680.00	Cash withdrawal	Mr S

Mr S says he couldn't reasonably have known this was a scam before he made the payments. It appears the company he thought he was working for is a clone of a genuine company. Mr S considers HSBC ought to have intervened effectively and prevented the payments because they were unusual and followed a known pattern of fraudulent transactions. While HSBC did intervene in some of the payments, he considers this was more procedural than a genuine attempt to protect him and that HSBC accepted his answers to its questions at face value. He was manipulated into giving inaccurate answers to some of HSBC's questions and he believed that HSBC's interventions were purely technical, not due to any genuine concerns about possible fraud. He made one of the transactions in-branch but HSBC didn't intervene or ask him any questions.

HSBC says it isn't responsible for Mr S's loss. It says it intervened on several occasions and asked Mr S probing questions about the payments. He didn't answer its questions accurately

and honestly and this prevented it from uncovering the scam but did lead it to restrict card payments from his account.

Our investigator didn't uphold Mr S's complaint. He didn't think the payments were sufficiently unusual that HSBC needed to intervene, with the exception of the large in-branch withdrawal Mr S had made. He said HSBC had intervened on several occasions and Mr S hadn't answered its questions openly and honestly, so while he thought HSBC should have asked him questions about the cash withdrawal, he didn't think Mr S would have answered honestly in any event. He noted that HSBC's concerns ultimately led it to block card payments from Mr S's account and that Mr S had simply closed his account with HSBC and made payments to the scammer through other means.

The investigator also said that there was very little evidence Mr S had been the victim of a scam. He hadn't provided evidence of his contact with the scammers, such as chat messages and there was little to show that Mr S's money had ended up with scammers. He didn't think there was any realistic chance of HSBC being able to recover Mr S's money. One of the payments had been a cash withdrawal that it couldn't attempt to recall, some payments were money order card payments, that would have been considered to have been correctly completed once money had credited the account of the recipient and another payment had been made to Mr S's own account with another bank and according to his own version of events, paid out from that bank to the scammers.

Mr S didn't accept the investigator's assessment and has asked for an ombudsman's decision. In addition to the points already mentioned, he said that while there might be a lack of evidence showing contact with the scammers, there was overwhelming circumstantial evidence that he had been the victim of a scam. For example, the pattern of payments and the use of intermediaries.

### **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.

Mr S has made lengthy and detailed submissions, which I have read and considered carefully. I've summarised a lot of these submissions and focused on what I consider to be the key points and issues in his complaint.

One of those key issues, in my view, is the lack of evidence to show that Mr S has been the victim of a scam. While it is quite possible he has been the victim of a scam, I have seen very little evidence to support what Mr S has told us. For example, the investigator asked for evidence, such as copies of messages with the scammer, but Mr S hasn't been able to provide any. While Mr S has told us the name of the company he thought he was dealing with and he has provided some evidence that this company has issued alerts to customers about scammers setting-up clone accounts and attempting to impersonate the company, there is little or no supporting evidence of direct contact between Mr S and scammers.

I do accept Mr S's point that there is some evidence he has been the victim of a scam. His recollections are evidence and some of the payments seem like they might be part of a scam, but I don't agree the evidence is overwhelming.

Overall, I have very little supporting evidence to show Mr S was the victim of a scam, little evidence about the circumstances in which the scam started, how he was contacted, what was discussed, how plausible the information he was given was, that some of the payments reached the scammer, or whether there were any warnings signs that Mr S should have noticed, amongst other things.

Overall, given the lack of evidence, I don't consider it would be reasonable for me to uphold his complaint and to require HSBC to refund these payments.

In any event, I've also considered HSBC's actions and interventions in this series of payments.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case, it's accepted by all parties that Mr S authorised the payments and HSBC made the payments in accordance with Mr S's instructions.

The APP scam reimbursement rules that came into effect on 7 October 2024 don't apply in this case because they don't apply to the types of payment Mr S used. They don't apply to card payments, cash withdrawals or payments made to another account controlled by the same customer. All the payments Mr S complains about involved a card payment, cash withdrawal or own account transfer and so the rules don't apply in the circumstances of Mr S's complaint.

But the matter doesn't end there. Mr S has made extensive submissions on what he considers HSBC should have done as a result of law, regulation and good practice, amongst other things. Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, I think HSBC ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

HSBC did intervene in several payments, in particular on 18 and 28 December 2024. I have listened to recordings of the calls Mr S had with HSBC. In all the calls I have listened to, it's clear Mr S didn't answer HSBC's questions accurately. I'm satisfied that HSBC made the purpose of the calls and the questions clear – it was concerned Mr S might be falling victim to fraud, so I don't think Mr S should have thought these calls were part of a normal process.

In a call on 18 December 2024, HSBC asked Mr S why he was making the payments, whether he had been asked to mislead HSBC and whether he had made payments to this retailer before. He didn't answer those questions accurately. In two further calls that same day, he was asked about the payment purpose and gave inaccurate answers. In the call on 28 December 2024, Mr S gave further inaccurate answers and became reluctant to answer HSBC's further questions, to the point that HSBC ultimately blocked all further card payments from his account.

Having listened to those calls, I don't agree with Mr S that HSBC took his answers at face value. It's clear it didn't, to the point that it blocked further card payments because it wasn't satisfied with his answers. In my view, HSBC's interventions were not purely procedural, it did ask probing questions and the interventions it made were reasonable and proportionate.

I do understand Mr S's point that he says he was manipulated, misled and coerced into making these payments by the scammers. While I don't have much evidence about what was said to him, beyond his own recollections, that is a feature that is sadly all too common in scams and I do sympathise with the position he found himself in. While HSBC would have been aware that scammers often tell people to give incorrect answers to questions from their banks sometimes even probing questions and warnings can't uncover a scam. In Mr S's case, HSBC clearly wasn't satisfied by the answers he gave it and thought, despite his answers, that he might be falling victim to a scam and it blocked further card payments from his account. While it took several payments to be made before it took that step, I don't think I could reasonably say it should have taken that step earlier. The action HSBC took appears

reasonable and took a little time, having intervened and called Mr S a few times, received answers that didn't suggest a scam was taking place, and having looked into the matter some more after some more payments.

I agree with the investigator that the in-branch cash withdrawal ought to have led to some questions about the purpose of the withdrawal. It was a large cash withdrawal and HSBC had already raised concerns about possible fraudulent activity. But I also agree with the investigator that it's unlikely that further questions from HSBC would have led Mr S to answer it any more honestly and openly. Ultimately, despite raising its concerns with Mr S on several occasions and being quite clear with him that it was concerned he might be falling victim to a scam, he didn't answer HSBC's questions accurately, he closed his account with HSBC and he continued to make payments to the scammers through other banks and payment service providers. Overall, based on that, I don't consider it's likely further intervention by HSBC would have prevented Mr S's losses.

### Recovery

HSBC couldn't reasonably have done anything to recover Mr S's money once the payments had been made, in my view. Clearly, there isn't a process by which it could have sought to recover the cash it paid over to Mr S in branch. Other payments were made by card to money transfer services and would have been considered to have been successfully completed once money had credited the recipient's account and so chargeback claims wouldn't have been successful if they had been raised against these merchants. The payment made to Mr S's own account with an electronic money institution is also unlikely to have been recoverable, because Mr S says that money was transferred on from that account to the scammer.

### **My final decision**

I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 January 2026.

Greg Barham  
**Ombudsman**