

The complaint

Mr R complains that HSBC UK Bank Plc won't refund money he says he lost to an investment scam.

Mr R is professionally represented, however, to keep things simple, I'll refer to Mr R throughout my decision.

What happened

The details of the complaint are well known to both parties, so I won't repeat them again here. Instead, I will focus on giving the reasons for my 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.

Having done so, I agree with the conclusions reached by the Investigator for the following reasons.

I've firstly considered the Contingent Reimbursement Model (CRM), which can offer a potential means of obtaining a refund following scams like this one. Here however, the payments aren't covered by it. This is because the payments were made to a crypto wallet in Mr R's own name, with a legitimate crypto provider. I've therefore considered whether it would otherwise be fair and reasonable to hold HSBC responsible for Mr R's loss.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probability – 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 2017, consumers are generally liable for payments they authorise. HSBC are expected to process authorised payment instructions without undue delay. But as a bank, they also have long-standing obligations to help protect customers from financial harm from fraud and scams. 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 Mr R claims to have suffered if, indeed, he has been scammed. I've therefore considered whether Mr R was a victim of a scam.

It isn't in dispute that Mr R made payments from his HSBC account to a crypto exchange provider in his own name. However, I can't be certain what happened to the funds after they entered the crypto exchange. So, I've looked at the limited information Mr R has provided when considering whether he was scammed or not.

From what's been provided, I can't see anything to show that Mr R made these payments to, or from the crypto exchange, specifically for the investment scam he says he fell victim to.

And while I don't dispute Mr R's version of events, our service has asked Mr R for further evidence, which hasn't been provided. I want to highlight at this stage I haven't overlooked Mr R's difficult circumstances, or the challenges he's faced in obtaining certain evidence, however, on balance, I can't be entirely satisfied Mr R fell victim to the investment scam. For the sake of completeness, even if I were to accept Mr R sent the payments to the investment scam, I don't think HSBC would be responsible for his loss. This is because HSBC did intervene on the first payment Mr R attempted and called him to confirm the reason of the payment. Mr R confirmed he was transferring the funds to another account in his own name for investment purposes. HSBC then provided Mr R with crypto warnings and gave him an opportunity to carry out further checks before proceeding with the payment. The subsequent payments Mr R made were mostly of low value, spread out over a five-month period and again going to a legitimate crypto exchange provider. As a result, I wouldn't have expected HSBC to have carried out any additional checks before processing them. So, I can't say they were responsible for the loss Mr R suffered.

I've also thought about whether HSBC could've done more to recover the funds after Mr R reported the fraud. In this instance, as the payments were made by debit card, the only method of recovery would be to attempt a chargeback. But this likely wouldn't have been successful. This is because the service Mr R paid for from the crypto exchange was provided.

I have a great deal of sympathy for Mr R and the loss he's suffered. But it would only be fair for me to direct HSBC to refund his loss if I thought they were responsible – and I'm not persuaded this was the case.

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 Mr R to accept or reject my decision before 4 February 2026.

Israr Ahmed
Ombudsman