

## **The complaint**

Mr C complains HSBC UK Bank Plc's ("HSBC") telephone assessment process to upgrade his bank account was disproportionate given he was being asked irrelevant questions about his finances and property. Mr C questions why he was asked for so much personal information despite meeting HSBC's eligibility criterion for the account upgrade and being a longstanding customer.

Mr C feels humiliated by the process and says he's been discriminated against by HSBC. To put things right, Mr C wants HSBC to automatically upgrade his account.

## **What happened**

The details of this complaint are well known by both parties, so I won't repeat them again here in detail. Instead, I'll focus on setting out some of the key facts and on giving my reasons for my decision.

HSBC, and later our Investigator, didn't uphold Mr C's complaint. As there was no agreement, this 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.

Having done so, I have decided not to uphold this complaint. I'll explain why.

Banks in the UK, like HSBC, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. These obligations generally cover the entire period of its customer relationship – from application to eventually the end of the relationship. And it's not uncommon that at the point of an application for a new product, questions are asked about the consumer's contemporaneous financial circumstances. After all, circumstances change and evolve over time.

This includes Know Your Customer (KYC) checks and/or Customer Due Diligence (CDD). It's worth noting these checks include not just the verification of a customer's identity but also establishing the purpose and intended nature of the business relationship and origin of funds.

I'd like to assure Mr C that I have carefully listened to the entire call recording that took place in May 2025 where he wanted to upgrade the account to a 'Premier' one. I appreciate why Mr C feels so strongly about this matter given he had already checked he was eligible for the new account through his income - and that as a longstanding customer, HSBC should not have needed to be as extensive as it was in garnering information about his home, assets and other financial details.

I can also see why a call that lasted approximately two hours would be construed as

inappropriate, onerous, and unnecessary when upgrading an account. But HSBC has important obligations, as I've detailed above, to adhere to. And having listened to the call, I'm satisfied the questions asked of Mr C were to ensure HSBC had up-to-date records of Mr C in line with its KYC obligations. The questions at the front end of the call mainly about Mr C's health were designed to work out if he was eligible for the adjoined insurance product.

I would like to add that I don't find Mr C's disposition here unreasonable given how long the call was taking and the type of questions he was being asked which he understandably found intrusive. But HSBC has a duty to protect its customers and itself from financial harm. I am satisfied that it was exercising that role here in collecting KYC information.

Mr C thinks HSBC's actions were discriminatory. I want to make clear I do not doubt how genuinely Mr C feels about this matter and the upset HSBC's actions have caused him. While I appreciate this is Mr C's perspective, it is not my role to decide whether discrimination has taken place as a matter of law – only the courts have the power to decide this.

I have, however, considered the relevant law in relation to what Mr C has said when deciding what I think is the fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010. But after doing so, I've not seen evidence to indicate Mr C was treated unfairly.

Mr C's application for the new account wasn't declined, but Mr C decided to pull out due to the reasons covered above. As HSBC hasn't done anything wrong, I can't direct it to automatically upgrade Mr C's account in the way he has asked. That is a matter for HSBC to consider in light of its various obligations and processes which stem from that.

### **My final decision**

For the reasons above, I have decided not to 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 13 April 2026.

Ketan Nagla  
**Ombudsman**