

The complaint

Mr E has complained that HSBC UK Bank Plc won't refund money he says he lost to a scam.

What happened

In February 2024 Mr E installed a dating app and received a notification from someone (the scammer) who liked his profile. He scrolled through the scammer's profile and saw that she was an accountant that also worked part time training people in crypto investments. Mr E said he was impressed by this, so he initiated contact. Mr G said as he had invested previously, he asked her if she would be able to advise on further investments. During his conversations with the scammer, Mr E built a rapport and began to trust her. On 9 February 2024, Mr E was provided with the scammer's mobile number and engaged in a video call with her, which convinced him that he was speaking with a genuine person. He was advised to download a trading platform, which he says he researched and was satisfied they were genuine.

Mr E made his first payment to the scam on 12 February 2024, where he saw the money credit the trading platform and he started to earn profits. He was told that the more he invested the higher the returns would be. He trusted the scam. But even though he told the scammer he didn't have sufficient funds to keep funding the investment, she placed great pressure on him to transfer high value payments, encouraging him to seek financial assistance from friends and family.

When Mr E attempted to withdraw the profits on his account the scammer explained the money would be subject to a number of fees, most notably a channel security fee, which was \$10,000. At this point Mr E began to feel suspicious and proceeded to conduct greater research. And he came across an online post where someone had said this was a scam, so he contacted the individual (who made the post) and realised he had been scammed. Mr E has explained in order to fund the scam he borrowed money from friends and family and used credit cards. To put things right, Mr E wants HSBC to refund the lost funds (totalling £20,212) and compensate him.

HSBC refused to provide a refund stating funds were sent to an account in Mr E's name and control. The disputed payments weren't deemed suspicious to HSBC at the time.

Mr E remained unhappy and referred his complaint to our service. Our investigator looked into his complaint but didn't recommend it be upheld. In summary she said she wasn't upholding the complaint, because she's not persuaded the loss Mr E has claimed is a personal loss to him.

She went on to explain that Mr E had said due to him not having any access to funds, he transferred funds from his credit cards to his digital wallet (he held with a third party) which was linked to his credit cards, after which he moved funds to his trusted friends, and they returned the funds back to his wallet he held with a third party. After this, he withdrew the funds to his HSBC account and made the disputed payments. Mr E has explained that the reason for doing this was because he was not able to make payments for cryptocurrency from his credit cards directly. Our investigator said while she accepted credit card providers

do not allow payments for cryptocurrency, Mr E hasn't provided a plausible explanation as to why he needed to move funds this way.

Mr E didn't agree and provided further evidence to be considered such as a signed witness statement stating he borrowed funds that he had to repay, and so they were not gifts or joint investments. And he provided a further explanation as to why he transferred the funds this way. As the investigator's opinion remained the same, the complaint was passed to me to consider.

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 investigator's findings for broadly the same reason. When this service considers a complaint, we expect all parties to give, to the best of their abilities, an accurate account of what has happened, so that we might fairly and reasonably determine the outcome.

I'm not persuaded Mr E has done so here. I accept due to the passage of time and the pressure Mr E was under at the time, that he may not recall all the finer details. But due to some inconsistencies in his testimony verses further evidence I have been provided which contradicts what he's told us, it's not possible for me to determine what occurred and as such conclude HSBC did anything wrong.

The inconsistencies and unexplainable events that occurred throughout the scam along with the further evidence we have received, is enough for me to say his testimony has become unreliable. And while I have taken into consideration Mr E has said he was in a state of panic, I think the amount of inconsistency or events which are unexplained, mean I can't fairly determine what has happened. As such, it follows, I can't ask HSBC to do anything further.

I appreciate Mr E would want to know more about the information provided to our service, which has assisted me somewhat I'm reaching this finding. But I'm treating this information in confidence, which is a power awarded to our service under the rules we operate - known as the Dispute Resolution Rules (DISP).

DISP 3.5.9R states:

'The ombudsman may:

1. Exclude evidence that would otherwise be admissible in a court or include evidence that would not be admissible in a court;
2. Accept information in confidence (so that only an edited version, summary or description is disclosed to the other party) where he considers it appropriate;

Accordingly, I have accepted information in confidence which I am not able to disclose. As such, I won't be asking HSBC to do anything further.

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 E to accept or reject my decision before 23 March 2026.

Jade Rowe
Ombudsman