

## **complaint**

Mr K complains that HSBC Bank plc will not refund three card transactions which he says he did not authorise.

## **background**

During an overseas trip Mr K visited a club and used his debit card for an initial purchase. However, he says he did not authorise two subsequent debit card transactions and one credit card payment totalling over £2,250.

Mr K says that his memory of what happened that night is unclear. He thinks that he might have been drugged by the club and coerced into giving it his cards and Personal Identification Numbers (PINs) to make the subsequent transactions. He has reported the matter to the local police.

HSBC refused to refund the transactions because it was satisfied that the cards were used by Mr K or by someone he had given his card and PIN – who was thereby authorised to make the transactions.

Our adjudicator did not recommend that the complaint should be upheld. She concluded, in summary, that the transactions were authorised by Mr K and it was therefore reasonable for HSBC to refuse to refund them.

Mr K has not accepted the adjudicator's conclusions.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

This is not the first time I have seen a complaint relating to an overseas club apparently taking advantage of a customer. However, while I sympathise with Mr K I have to consider here whether it is fair and reasonable for HSBC to be made to meet the cost of the club's alleged dubious practices. I am afraid I do not, and appreciate that this will disappoint Mr K.

The issue here is whether the cards' usage was authorised I will consider the position on the debit and credit debit cards separately.

### *Debit card*

Mr K has admitted that his memory of what happened on the night in question is confused. He says that he did authorise an initial transaction but cannot remember authorising any more. However, he has also said that he believes he was drugged. If he made the two disputed transactions while under the influence of drugs or alcohol that still means he authorised them. The alternative scenario is that he was persuaded to give his card and PIN to someone else who then made the transactions. If so, this still means he authorised that person to take the money from his account.

I am therefore satisfied that HSBC acted correctly in allowing the two transactions to go through. It thought they were knowingly authorised by Mr K and it had no reason to believe

that this might not be the case. It is therefore fair and reasonable for the bank to refuse to refund the amounts involved.

*Credit Card*

Only one payment was made on this card and Mr K has told us that he believes he did use it for a transaction when his debit card was declined. He cannot remember the amount he thought he was paying, and believes he was over-charged. But by using his card and PIN I am satisfied that he did authorise the transaction. The responsibility for checking the amount before doing so lay with him.

I find that HSBC made no error in allowing the transaction to go through, and cannot require it to refund the amount involved.

**my final decision**

My final decision is that I do not uphold this complaint against HSBC Bank plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr K to accept or reject my decision before 9 November 2015.

Malcolm Rogers  
**ombudsman**