

The complaint

Mr T complains HSBC UK Bank Plc didn't do enough to protect him when he fell victim to a job scam.

What happened

Mr T has an account with HSBC and an account with another business who I'll refer to as "L" in the rest of this decision.

Mr T says he was contacted on a well-known messaging app asking him whether or not he was interested in a job opportunity. He says he was told the job involved completing tasks and that he'd receive 5% commission for every task he completed and that he'd be paid once he'd done 40 tasks. Mr T says he checked the company involved online and its website looked professional and there were no negative reviews about it. So, he agreed to the job. He says he was onboarded and added to a group of people doing the same job. He says that he was told he'd need to buy cryptocurrency and deposit it in order to complete all of his tasks. In fact, Mr T was dealing with scammers. He says he realised he'd been scammed when he kept on being told to take out loans in order to make the payments he was told he needed to make in order to withdraw his earnings. Mr T contacted HSBC and L.

HSBC looked into Mr T's claim and said – based on the limited information it had – that the payments he'd made had been sent to an account in his name and so wasn't covered by the CRM code. HSBC also said that it had spoken to Mr T before releasing some of the payments and had given him effective warnings based on what he'd said. In the circumstances, HSBC said that it wouldn't be able to offer Mr T a refund. Mr T was unhappy with HSBC's response – and L's – and complained to our service with the help of a representative.

One of our investigators looked into Mr T's complaint and said that there was no dispute that the activity on Mr T's account on 1 and 2 June became unusual as that's when HSBC started blocking his payments and spoke to him to discuss them. Our investigator said that HSBC couldn't fairly have been expected to uncover the scam based on the answers Mr T had given in the calls it had with him. In addition, given that the payments had been sent to genuine third parties selling cryptocurrency, our investigator didn't agree that HSBC could have done more to recover Mr T's money and said that there wasn't a reasonable prospect of any chargeback attempt succeeding. In short, our investigator didn't think HSBC had acted unfairly so didn't uphold Mr T's complaint. Mr T was unhappy with our investigator's recommendations and so asked for their complaint to be referred to an ombudsman for a decision. His complaint was, as a result, passed to me.

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.

In this case I'm satisfied that Mr T made four card payments to a well-known cryptocurrency exchange on 25 May 2023. Two of those payments were for just over £1,200, one was for

£450 and one was for £50 meaning Mr T sent just under £2,950 to the cryptocurrency exchange in question that day. He had a history of making multiple cryptocurrency payments at a time – starting over two years before. In the circumstances, I don't think HSBC should have had any concerns about the payments Mr T was making at this stage.

On 1 June 2023 Mr T started making cryptocurrency payments to a cryptocurrency provider that they'd not dealt with before. The first was for just under £1,600 and the second was for just under £2,900. I can see that HSBC blocked these payments and that Mr T called to find out why. I've listened to that call, and I agree with our investigator that HSBC couldn't fairly have been expected to uncover that Mr T was being scammed. That's because Mr T told HSBC that he was simply investing in cryptocurrency – and had been doing so since 2020 – and didn't say that he was buying cryptocurrency as part of a job that involved completing tasks. He said he planned to buy cryptocurrency when the price was down and sell when it was up. He gave similar answers in a call with HSBC on 2 June 2023 when he was trying to get a payment of just over £4,000 to go through. The only difference in this call is that Mr T had received £15,000 into his account which represented the proceeds of a loan he'd taken out. I can see the agent questioned this and having done so explained HSBC had concerns he was being scammed. Mr T said he wanted to go ahead with the payment having been given a warning.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 19 June 2024.

Nicolas Atkinson
Ombudsman