

## **The complaint**

Mr B complains that HSBC UK Bank Plc didn't return all his funds after he tried to make an international payment.

## **What happened**

Mr B holds a current account with HSBC. In May 2023 he tried to make an online international payment to a current account he holds in another country, but the payment didn't go through. It was returned to Mr B's HSBC current account in early June – but the amount was less than when he tried to make the payment.

Mr B complained. HSBC responded and explained that it processed the online payment as instructed but it was rejected by the beneficiary bank. On return, HSBC had to exchange the funds back to GBP and in doing so, Mr B received less money. HSBC explained that customers are made aware when making these types of payments that if they are rejected or returned there may be losses or gains depending on the currency market.

Mr B remained unhappy about brought his complaint to this service. One of our investigators looked into the matter and didn't think HSBC had done anything wrong. They were satisfied that HSBC had made the payment as instructed and that the amount of money returned was due to a loss when exchanging the funds back to GBP. They were satisfied HSBC had warned Mr B that this could happen.

Mr B disagreed. He wanted the full amount of money back. He asked for an ombudsman to consider the case – so it's been 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.

Having done so, I've reached the same outcome as the investigator for broadly the same reasons.

The terms and conditions of Mr B's HSBC account explain that when making international payments HSBC tells the customer the HSBC Exchange Rate and if asked to make the payment straight away, it applies the rate from that date.

They go on to say that if a payment is returned to HSBC or the payment can't be made for any reason, then it will reverse it using the exchange rate at that time, which may have changed. They explain that the amount HSBC pays back may be more or less than originally taken from the customer's account.

I've also reviewed an example of what Mr B would've seen when he made the online international transfer. This shows the exchange rate applied at the time of the transfer and at the bottom there is a section called 'Important Information'. Which further explains that if the payment is cancelled by HSBC, the payee bank or any other bank used to send the payment

and the exchange rate has changed, the customer could get back less than the original amount.

Taking this into account I'm satisfied that HSBC gave Mr B fair warning about what could happen if an international transfer didn't go through.

Next, I've considered whether HSBC attempted to complete the online transfer correctly. I've seen evidence of the input Mr B made when he completed the online transfer. This is inline with Mr B's recollections. I've also seen the SWIFT messages between HSBC and the receiving bank, and I'm satisfied HSBC attempted to make the transfer as instructed by Mr B. It also chased the payment with the beneficiary bank and when the funds were returned it applied the exchange rate from that date.

Overall, I'm satisfied that HSBC attempted to make the transfer as instructed by Mr B. He received less back than when he tried to make the payment, but this wasn't due to an error made by HSBC – it was because the exchange rate had changed.

I understand Mr B feels strongly about his case but given what I've said above I don't think HSBC has done anything wrong.

### **My final decision**

For the reasons I've given, I do not uphold Mr B's complaint against HSBC UK Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 January 2024.

Rachel Killian  
**Ombudsman**