

The complaint

Mr P complains Wise Payments Limited won't reimburse money he lost as a result of a scam.

The full details of this complaint are well known to both parties, so I won't repeat them here. Instead, I'll recap the key points and focus on giving reasons for my decision:

- Mr P received a call from Golden Core offering an investment opportunity. He was persuaded to invest and in November and December 2020 he made payments totalling £2100.32 and €7,981.40. He paid individuals, crypto exchanges. He set up a crypto wallet from which payments were sent on to Golden Core. He also made one successful withdrawal of £50 but was then told he couldn't make further withdrawals. He realised he'd been scammed when he was continually contacted to make further payments.
- Wise declined to reimburse the transactions as it said there was no indication the recipients were involved in scams.
- Our investigator also didn't uphold the complaint. She explained that as Wise is an electronic money issuer, set up with purpose of sending and receiving money, including internationally, the payments wouldn't have looked unusual.
- Mr P asked for the matter to be referred to an ombudsman. He said there was no warning the payments were irreversible and there was no information about being careful of fraudsters trying to steal his money, or how to recognise fraudulent activity.

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.

I would like to reassure the parties that although I have only set out the key points of the complaint, I have read and considered what's been provided. Having done so, I agree with the conclusions reached by the investigator for the following reasons:

- Under regulations and in accordance with terms and conditions, authorised payment instructions should be executed without undue delay. The starting position is that liability for an authorised payment rests with the payer, even where they are duped into making that payment. There is no dispute that Mr P made the payments, and so they were authorised.
- Wise is an electronic money issuer – set up with the purpose of sending and receiving money, including internationally and in different currencies. And quite often that will be for large sums. So a customer using their account to send money in GBP or Euro's wouldn't be unusual. And having looked at the operation of Mr P's account, I don't find the amounts to have been so unusual, that they ought to have triggered Wise's fraud alerts. I accept these were payments to new payees, but again that is a feature of electronic money issuers – that money is regularly sent to new payees. Overall, I'm not persuaded the payments were of a nature that I think Wise ought to have intervened in them. And I'm not aware that there was any interaction between

Wise and Mr P at the time, where any concerns were expressed that would lead me to conclude Wise ought to paused payments and asked Mr P about them.

- Mr P has said there was no warning the payments were irreversible. I'm unsure as to why Mr P would have thought they were; in any event this information is contained within Wise's FAQs. And there is a lot of information in the public domain about fraud, the common scam tactics and how to keep money safe. And as I have found the payments weren't so unusual or so uncharacteristic that they ought to have triggered any fraud alerts, there wouldn't have been a reason for Wise to provide a fraud warning.
- I understand Mr P has lost money, and its unfortunate he's fallen victim to a scam. But as I don't find Wise ought to have done anything more when executing his payment requests, I find no basis on which to ask it to reimburse Mr P's losses.

My final decision

For the reasons given, 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 P to accept or reject my decision before 17 June 2022.

Claire Hopkins
Ombudsman