

The complaint

Mr N complains that Wise Payments Limited won't reimburse him money he lost using their services as the result of a scam.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Between February and May 2021 Mr N sent over £13,000 to a payee in another country. The transfers were made through his account with Wise. Mr N says that the payments were for spiritual healing services and products and that he has been the victim of a scam.

He reported this to Wise who declined to reimburse him. In summary they didn't believe they ought to have intervened in the transfers and said that once an international transfer is sent, there is often little they can do to help recover the money. I understand that Mr N also reported this to the police who were ultimately unable to assist.

Mr N complained to Wise who maintained their decision in relation to a refund. But they acknowledged they'd failed to log his complaint when it was first raised and offered him £150 compensation for the impact of this.

The complaint had been referred to our service and one of our Investigators didn't recommend it should be upheld. Mr N disagrees and has asked for an Ombudsman to make a decision.

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.

Neither party is disputing that Mr N has been the victim of a scam. So I've gone on to consider whether Wise are responsible for Mr N's loss (or a part of it). I don't think they are and I'll explain why.

Wise have obligations to be alert to fraud and scams. But the service that Mr N was using was to send money internationally. Mr N had previously sent money (to different recipients) in the same country that the scam payments went to. And more importantly I don't think the activity on the account would have appeared suspicious or unusual to Wise at the times the payments were made.

The account is primarily intended to make international payments. And the activity on it isn't going to resemble a traditional bank account where there is more likely to be an established pattern of use against which to assess any potentially unusual payments. So, taking all of

this together, I don't think there was any reason for Wise to have stopped and done more before following the instructions Mr N provided to send the transfers.

Wise were also unable to recover any of the transfers after Mr N had reported that they had been made as the result of a scam. I'm satisfied Wise did what they could to try to recover Mr N's funds, its unfortunate that this didn't result in any money being returned.

I'm of course sorry to hear the Mr N lost such a large amount of money, and I've no doubt that this had and continues to have a significant impact upon him. But my role requires that I remain impartial, and as I don't think Wise did anything wrong that caused or contributed to the loss, I can't fairly tell them to do more to resolve this complaint.

Whilst I appreciate this isn't a core part of Mr N's complaint, for completeness, I think the £150 compensation Wise offered for the service failings is fair. I'm satisfied the service provided didn't impact on whether Mr N would recover any of his loss.

My final decision

For the reasons outlined above, 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 N to accept or reject my decision before 4 October 2022.

Richard Annandale
Ombudsman