

The complaint

A (a company), represented by one of its directors Mr W, complains that Wise Payments Limited (Wise) won't refund money lost when it fell victim to a scam.

What happened

The details of the complaint are well known to both parties, so I will not repeat them again here. Instead, I will focus on giving the reasons for my 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.

Having done so I agree with the investigator's findings for broadly the same reasons, which I will go on to explain. Before I do so, I want to acknowledge that I understand my decision will be disappointing to Mr W. But based on the evidence, I am not persuaded that Wise ought to refund the disputed transaction on the account due to the following reasons:

- Wise has a responsibility to monitor accounts and payments made. One of the reasons for this is to prevent fraud and scams. It needs to ensure it has systems in place to look out for unusual transactions or signs that might indicate its customers are at risk of fraud. So, in the individual circumstances of this case, I've considered whether Wise should have deemed this payment as being so unusual or uncharacteristic that it ought to have given wise sufficient grounds for suspecting fraud.
- Having done so, I am not persuaded it was. I say this because I have reviewed A's statements. I can see payments made of a similar nature in the previous months ranging from 30,588.66 EUR to 35,096.08EUR; and there were regular payments made overseas on the account. I have also considered that the disputed transaction did not drain the account of its available balance. So, I am not persuaded that the disputed transaction represented a sudden change in the way the account was operated by A. In turn, I don't consider it was wholly unreasonable that Wise's fraud detection measures weren't triggered.
- The disputed transaction was sent to a new payee, and Mr W believes this ought to have been enough for Wise to have been alerted. So, I have considered, if this alone was enough to trigger Wise's fraud detection measures.
- Having done so, I am not satisfied it does. I say this because, I have considered the fundamental purpose of this account. As this is a business account, I think it is reasonable to conclude that new payees will be created when economic factors warrant it to do so, such as suppliers offering competitive prices. So, this alone, is not enough to persuade me that Wise's fraud detection measures ought to have been triggered.
- I would like to point out that I really do appreciate the impact this issue has had on

Mr W while representing A. But in reaching my decision in this case, I have to put aside my natural feelings of empathy and consider the case impartially and fairly, based on the available evidence. And it would only be fair for me to direct Wise to refund the loss if I thought it was responsible – and I'm not persuaded that's the case.

Given the above, I cannot fairly and reasonably hold Wise liable in these circumstances. Therefore, I won't be asking Wise to take any further action.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask W to accept or reject my decision before 27 April 2023.

Jade Rowe
Ombudsman