

## **The complaint**

Miss W complains that Wise Payments Limited (“Wise”) won’t refund over £10,000 she lost to an investment scam.

The details of this complaint are well known to both parties, so I won’t repeat everything 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 conclusions reached by the investigator for the following reasons.

- It isn’t in dispute that Miss W has fallen victim to a scam here, nor that she authorised the disputed payments she made to her Binance wallet from her Wise account (where her funds were subsequently transferred on to the scammers from her crypto wallet). The payments were requested by her using her legitimate security credentials provided by Wise, and the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I’ve considered whether Wise should have done more to prevent Miss W from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- I appreciate that overall, Miss W has lost over £10,000 which is a significant amount of money. But this amount wasn’t paid in one large or ‘out of character’ transaction. It was spread over four separate smaller increments which, in my judgment, would not have appeared particularly unusual, such that they ought to have been regarded as suspicious or indicating that she might have been at risk of financial harm. The account had also been newly opened, so there wasn’t any previous transaction data for Wise to compare the disputed payments against to determine if they were out of character.
- I also acknowledge that two payments were made to Binance on the same day (13 September 2022). But cumulatively, this still didn’t total more than £4,000 so I don’t think this would have appeared overly unusual. And I don’t consider these two payments alone are enough to amount to a ‘suspicious sequence’ of payments either. And by the time Miss W came to make the largest payment of £5,000, Binance was already an established payee that she had paid similar amounts to previously. So, I’m not persuaded there were any significant indications of financial harm that Wise ought reasonably to have picked up on here.
- So, having considered the payments Miss W made, I’m not persuaded there was

anything that ought reasonably to have triggered Wise' fraud monitoring systems, or that would have indicated she was in the process of being scammed.

- I've also considered whether Wise could've done more to recover the payments after Miss W reported the scam. Wise has acknowledged that it didn't raise a chargeback dispute when the scam was first reported and has offered £75 compensation for the distress and inconvenience caused by the delay. But a chargeback claim would not have had any reasonable prospect of succeeding in this instance as Miss W received the asset she paid for (i.e. the cryptocurrency). So, it doesn't seem any earlier action Wise could've taken would've made any difference here. I'm therefore satisfied its £75 offer of compensation is fair.

### **My final decision**

Wise Payments Limited has made an offer to pay £75 compensation. I'm satisfied this offer is fair and reasonable and my final decision is that Wise should pay this compensation within 28 days of receiving Miss W's acceptance of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 11 January 2024.

Jack Ferris  
**Ombudsman**