

## The complaint

Mr H complains that Wise Payments Limited trading as Wise (Wise) is refusing to refund him the amount he lost as the result of a scam.

Mr H is being represented by a third party. To keep things simple, I will refer to Mr H throughout my decision.

## What happened

Mr H had been looking for a new job and was contacted via WhatsApp about a job opportunity with Izea (X). Mr H agreed to take the job which included purchasing items to generate better sales metrics. Mr H was required to make deposits which he was led to believe would gain him a profit he could withdraw at the end of the process.

Mr H was in constant communication with X and was also added to a group WhatsApp conversation that appeared to include other people carrying out the same tasks.

However, Mr H realised he had fallen victim to a scam when he was unable to make a withdrawal.

Mr H made the following payments from his Wise account to purchase USDT that was then sent on to the scam:

Date	Payee	Payment Method	Amount
1 May 2023	Individual 1	Transfer	£1,000
1 May 2023	Individual 2	Transfer	£1,510
1 May 2023	Individual 3	Transfer	£2,900
2 May 2023	Individual 4	Transfer	£2,500
2 May 2023	Individual 5	Transfer	£2,500

Our Investigator considered Mr H's complaint and didn't think it should be upheld. Mr H disagreed, so this complaint has been passed to me to decide.

## 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.

It has not been disputed that Mr H has fallen victim to a cruel scam. The evidence provided by both Mr H and Wise sets out what happened. What is in dispute is whether Wise should refund the money Mr H lost due to the scam.

### *Recovering the payments Mr H made*

Mr H made payments into the scam via the method of transfer. When payments are made by transfer Wise has limited options available to it to seek recovery.

Wise could contact the payee's account provider to refund any funds that remain in that account.

However, the payments Mr H made were to purchase USDT which was provided to him in return so I don't think it would be reasonable for Wise to ask for a refund of the payments. The USDT was then sent on to the scammer. This process was not part of the transactions processed by Wise.

With the above in mind, I don't think Wise had any reasonable options available to it to recover the payments Mr H made from his Wise account.

*Should Wise have reasonably prevented the payments Mr H made?*

It has been accepted that Mr H authorised the payments that were made from his account with Wise, albeit on X's instruction. So, the starting point here is that Mr H is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Wise should have been aware of the scam and intervened when Mr H made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

Mr H made the payments from a newly setup account and each payment was made to a different individual, so even though multiple payments were sent in a single day I don't think it was unreasonable that the individual amounts, or payees, didn't trigger Wise's fraud prevention systems, prompting it to intervene.

So, I don't think Wise missed an opportunity to prevent the scam and it is not responsible for Mr H's loss.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 June 2024.

Terry Woodham  
**Ombudsman**