

## The complaint

Mr S complains that Wise Payments Limited (Wise) won't refund him after he was the victim of a job scam.

Mr S is represented by a third-party, but for ease of reading I'll refer to Mr S only.

## What happened

The background to this complaint is already well known to both parties, so I won't repeat all of it here. Instead, I've summarised what I consider to be the key points.

Mr S explains he was contacted about a job through a popular messaging service. The job could be carried out remotely and involved Mr S performing tasks to earn commission. He says he looked at the scammer's website, which looked very professional, and he did some research into the end client company, on whose behalf the scammer said they were acting, and everything appeared to be legitimate.

His tasks appeared in an account he could access on the scammer's website, and he could see details of the commission he was earning. It was explained to him that he would need to deposit money, on occasion, because his account balance would sometimes appear to be negative, and money would have to be invested to bring it back up to a positive balance.

Mr S says he made the following payments as part of this scam:

| Date       | Payment type   | Amount | Beneficiary |
|------------|----------------|--------|-------------|
| 16/08/2023 | Faster payment | £200   | Payee 1     |
| 16/08/2023 | Faster payment | £292   | Payee 1     |
| 16/08/2023 | Faster payment | £709   | Payee 2     |
| 16/08/2023 | Faster payment | £1,497 | Payee 3     |
| 16/08/2023 | Faster payment | £2,022 | Payee 3     |
| 16/08/2023 | Faster payment | £2,000 | Payee 3     |
| 16/08/2023 | Faster payment | £3,455 | Payee 3     |
| 16/08/2023 | Faster payment | £3,000 | Payee 3     |
| 16/08/2023 | Faster payment | £3,000 | Payee 3     |

**Total £16,175**

It appears that four other payments may have been made to the scammers, beginning on 14 August 2023, but Mr S hasn't included these in this complaint. It also appears the final transaction listed above was blocked by Wise and didn't ultimately leave Mr S's account and there was another transaction for £3,000 immediately afterwards, which Wise also blocked.

Mr S says he realised he had been the victim of a scam when he was asked to deposit more and more into his 'account' with the scammers and every time he completed his assigned tasks, he would be assigned more and the balance in his account would turn negative again.

He believes Wise ought to have intervened because the activity on his account was unusual. The account had just been opened and all the payments into it were immediately transferred out to a combination of new payees and this should have raised concerns with Wise. He

says if Wise had intervened, it would have immediately exposed the scam. While he might have received automated pop-up warnings when making some of the transactions, he doesn't consider these were sufficient. He was prompted by Wise to explain why he was making some of the transactions, but if he chose the wrong payment option, he says he didn't mean to, he just chose one of the available options. Had clearer context been given, he might have answered differently.

Wise says the account was opened on 12 August 2023 and so there was little opportunity for it to establish a usual pattern of behaviour for this account. It says it did intervene on ten of the first twelve transactions on this account. On each of those occasions, it sent a general warning and asked Mr S the purpose of the transaction. Mr S told it that the payments were either for friends and family or payments for goods and services. Wise says it's not unusual for accounts to be opened to pay friends and family or to pay for goods and services and this was consistent with the information Mr S had given Wise when he opened the account. It says even though Mr S didn't provide accurate answers when Wise asked about the purpose of these payments, it put two payments on hold on 16 August 2023 to carry out additional checks. It cancelled those transactions because it suspected the payments were being used to make cryptocurrency transactions. It says it might have intervened earlier if Mr S's responses to its questions had been accurate.

Our investigator didn't uphold Mr S's complaint. She didn't think the payments ought to have caused Wise any concern until the payment for £3,455 on 16 August 2023. She didn't think the payments were sufficiently unusual until that point, but this was the fourth successive payment to the same payee on that day and the payments were increasing in size and starting to add up to a large amount. But she thought Wise's interventions were sufficient, as it had contacted Mr S and asked him the purpose of these payments, before providing tailored written warnings based on his responses. Mr S didn't provide accurate answers and the investigator felt that had he done so, Wise would most likely have been able to provide better tailored intervention.

### **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'm not upholding Mr S's complaint.

It's not in question that Mr S authorised these payments. Under the Payment Services Regulations 2017, he is liable for these losses in the first instance. But the matter doesn't end there.

In some circumstances, I would expect Wise to take additional steps, or make additional checks, before processing payments, or in some cases decline to make a payment altogether, to help protect its customers from the possibility of financial harm from fraud.

In this case, I consider Wise did take reasonable additional steps. Mr S's account with Wise was opened on 12 August 2023, so there was no particular pattern of activity Wise could refer to in order to determine if the transactions were out of character. But it could still determine if the payments followed known scam trends, for example. Wise has provided evidence that it intervened by contacting Mr S, on ten occasions, asking him the purpose of the transactions and providing tailored written warnings based on Mr S's responses. I consider this was proportionate, particularly at the outset when most of the transactions were of relatively low value.

Wise warned that the transactions could be scams and asked what the purpose of each payment was, so that it could provide further advice.

On some of the payments, Mr S responded that he was paying for goods and services and as a result, he received advice related to that answer, such as to read independent reviews about the company he was buying from.

On other payments, he responded that he was sending money to friends and family. This response generated advice, such as to check he was paying the right person.

Wise says one of the available options Mr S had, when he received these interventions, was “paying to earn money by working online”. Wise has provided copies of the information and warnings Mr S would have seen if he had selected this option, in particular:

***“Have you been asked to pay to earn money?***

***Stop – this is a scam. Scammers will ask you to pay, and then start earning money by watching ads or writing reviews.”***

Mr S didn’t give an accurate response to these interventions and that made it harder for Wise to give risk warnings that were tailored to his actual situation. I’m satisfied, from the evidence Wise has presented, that Mr S received general risk warnings, was asked about the purpose of the payments he was making, on multiple occasions and that if he had answered accurately, he would have received appropriate, tailored risk warnings relevant to his true situation.

While Mr S says he didn’t mean to choose the wrong option and there was a lack of context given, I consider the options were sufficiently clear and Wise contacted him many times.

Given the lack of any account history and the relatively low value transactions being made on the account, I’m satisfied the questions Wise asked about the purpose of payments and the warnings provided by Wise, which were tailored based on the responses from Mr S, were proportionate.

As the scam progressed and the size of payments escalated, on 16 August 2023, Wise intervened further by blocking two payments and reviewing the account activity. I consider it was appropriate for Wise to intervene and block these payments, given the pattern that was developing.

The investigator suggested that the payment of £3,455 ought to have triggered intervention from Wise and she thought the written warnings it provided were suitable. Even if I considered stronger interventions were called for at this point, I’m not persuaded they would have prevented Mr S’s loss.

From the copies of the messages Mr S exchanged with the scammer, it appears Mr S realised this was a scam by the evening of 17 August 2023 and he started to question the scammers. He referred to the tasks as being “fake” and the whole thing being a “scam”.

I’m aware Mr S then tried to make a transfer of £3,068, on 18 August 2023, from his account with his bank to the scammers, via a cryptocurrency account he appears to have set up, on the advice of the scammers, *after* he had started to raise doubts this might be a scam. His bank intervened in that transaction and spoke to Mr S. In that call, he said he was making a payment to pay a friend and then asked to cancel the transaction after a few questions. But the payment wasn’t for a friend, it was to fund his account to pay money to a company to release earnings he was due for carrying out work tasks. So, based on the conversation he

had with his bank, it isn't clear Mr S would have been open and honest with Wise if it had spoken to Mr S at that point.

Overall, I agree with the investigator that the interventions by Wise were appropriate. Its interventions escalated, as the payments escalated, progressing to blocking the payments entirely. But in any event, even if Wise could have intervened in person, perhaps with a phone call or in-app messaging on the £3,455 transaction, I'm not persuaded that would likely have uncovered the scam. I say this because even when Mr S's bank intervened on 18 August 2023, after Mr S appears to have had at least some awareness this could be a scam, he wasn't open and accurate with his answers to his bank. He told his bank that the money was being sent to friends, which is also what he had told Wise in his interactions with it. The payments he made through Wise had all gone to individuals, so I don't think Wise would have been in a much better position than the bank to challenge anything Mr S told it about the purpose of the payments.

### Recovery

Wise has provided evidence that the money Mr S paid was quickly moved on and by the time the scam was reported on 18 August 2023, funds were not available from the various accounts he had paid. I'm satisfied that in the circumstances, there wasn't anything more Wise could realistically have done to recover Mr S's money.

### **My final decision**

I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 February 2025.

Greg Barham  
**Ombudsman**