

## The complaint

Miss N complains that Wise Payments Limited ('Wise') won't refund the money she lost to a scam.

She's being represented. To keep things simple, I'll refer to Miss N throughout this decision.

## What happened

The background to this complaint is known to both parties, so I won't repeat all the details here. In summary, Miss N says:

- In early 2023, she saw an online advert about a company I'll call 'X'. She left her contact details and was then called by someone claiming to be a financial adviser (the scammer) at X. She carried out checks into X before investing and found positive reviews. As part of the process, the scammer asked her to download remote access software and helped her to set up her cryptocurrency wallet. An ID verification process was also completed.
- She started to invest with a small payment from an account she held with another bank. But believing she was making good returns and with the promise that these returns were guaranteed she was persuaded to invest more heavily. The contact with the scammer was frequent and she was regularly updated on the progress of her 'investments'.
- On the scammer's advice she started using her account with Wise and two transfers were sent and lost to the scam as listed below. The scam was funded from savings and loans. She was led to believe £70,000 was available for her to access, but she realised she'd been scammed when she was asked to pay more to make a withdrawal.

Date	Method	Payee	Amount
13-Mar-23	Transfer	E A Bencherif	£8,000
30-Mar-23	Transfer	F Mahjabin	£5,000

The scam was reported in June 2023. A complaint was made and referred to our Service. Our Investigator considered it and didn't uphold it.

In summary, she first concluded that Wise ought to have provided Miss N with a generic scam warning considering the level of risk presented by the payments. But that, while Wise hadn't provided evidence to show any warnings were given, it was unlikely such a warning would have resonated with Miss N given she was falling victim to an investment scam. She then reviewed the complaint on receipt of Wise's file. This time she found Wise had taken proportionate steps by asking Miss N to give a payment purpose and providing her with a relevant warning. And she didn't think it'd be fair to uphold the complaint given Wise was only able to give a warning that was relevant to the payment purpose Miss N had selected.

As the matter couldn't be resolved informally, it's 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.

Having done so, I've reached the same conclusions as the Investigator and for broadly the same reasons.

It's not in dispute Miss N was the victim of a scam and I'm sorry about the impact the whole experience has had on her. It's also not in dispute she authorised the payments from her account. So, although she didn't intend the money to go to a scammer, under the Payment Services Regulations 2017, Miss N is presumed liable for her losses in the first instance. But that's not the end of the matter. There are some situations where I consider that Wise, taking into account relevant rules, codes and best practice, should reasonably have taken a closer look at the circumstances of a payment – if, for example, it's particularly suspicious.

I've thought carefully about Miss N's comments that Wise ought to have intervened and questioned her about what was happening on the basis that the payments were significant and out of character. But, while the payments were not insignificant, that's not the level of intervention I'd have expected here. Looking at the account activity, including the payment values and the information Wise had available at the time on which to assess a payment risk, I wouldn't have expected Wise to have gone beyond providing Miss N with a written warning that broadly covered general scam risks. I wouldn't have expected such a warning to have been tailored specifically to investment scams. And, like the Investigator, I think it's unlikely a generic scam warning, which I think would have been proportionate, would have naturally led to Miss N recognising she was being scammed. In reaching this view, I'm mindful that the account had been relatively inactive and that while the money here was used to buy cryptocurrency (from individuals likely operating in the peer-to-peer market) that's not something Wise would have known, given the method used.

In any event, as noted by the Investigator, Wise has shown that it did intervene on the payments and asked Miss N to give a 'payment purpose'. In both instances Miss N selected 'sending money to yourself'. I can't overlook other options were available, such as 'making an investment', which more closely matched what Miss N thought she was doing at the time. In turn, Wise provided a warning relevant to the payment purpose Miss N had chosen. And considering the risk the payments presented and the steps Wise took in response to that risk, I don't think it'd be fair to uphold this complaint on the basis that Wise ought to have done more than it did and missed an opportunity to prevent the scam.

For completeness, I'm also not persuaded by the suggestion that Miss N was not under any 'spell' and would have been forthcoming if Wise had questioned her, such that the scam would have been unravelled. That's not supported by the evidence I've seen, including the messages Miss N exchanged with the scammer and the responses she provided here (and in calls with other firms) when asked about the reasons for her payments.

In terms of recovery, a firm is generally expected to attempt recovery of lost funds once the scam has been reported. In this case, however, there wouldn't have been a basis for Wise to attempt a recall, given the payments were used for the purchase of cryptocurrency through third-parties, that cryptocurrency was provided, and it was this cryptocurrency that was sent on to the scammer. I've not seen anything to suggest the third-parties from which the cryptocurrency was bought were part of the scam itself.

I'm again sorry Miss N was the victim of a cruel scam. I can understand why she wants to do all she can to recover her money. But I haven't found that Wise ought to have done more here such that it'd be fair to hold it responsible for her losses in the circumstances.

**My final decision**

For the reasons I've given, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 7 March 2025.

Thomas Cardia  
**Ombudsman**