

## The complaint

Mr H's complaint is about Wise Payments Limited's ("Wise") refusal to reimburse him money he says he lost due to a scam.

Mr H is represented by CEL Solicitors in this matter. However, I will try to refer to Mr H solely in this decision for ease of reading.

## What happened

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview of events.

Mr H has fallen victim to what appears to be a 'romance scam'. He met a person whom I will refer to as 'VI' in this decision via a dating website. Mr H was deceived by VI into instructing Wise to transfer payments from his Wise account to VI. In short, Mr H made these payments in the belief that he was helping VI escape the Russian-Ukrainian conflict.

Below are the payments in question, which were all international transfers made to VI:

Payment Number	Date	Time	Amount (including fees)
1	17 March 2023	11:19	£200
Cancelled by Wise	18 March 2023	12:30	£1,000
2	18 March 2023	12:46	£200
3	18 March 2023	17:07	£500
4	18 March 2023	17:33	£300
5	20 March 2023	06:54	£300
6	11 April 2023	11:05	£200
7	14 April 2023	06:21	£500
8	14 April 2023	07:45	£450

9	17 April 2023	12:01	£420
10	24 April 2023	10:26	£520
11	1 May 2023	07:34	£200
Cancelled by Mr H	12 May 2023	-	£600
12	12 May 2023	20:37	£200
13	16 May 2023	10:17	£600
14	28 May 2023	11:45	£650
15	5 June 2023	10:53	£660
16	13 June 2023	07:44	£620

Mr H disputed the above with Wise. When it refused to reimburse him, Mr H raised a complaint, which he also referred to our service.

One of our investigators considered the complaint and did not uphold it in the two assessments they issued. In summary, the investigator thought that the payments were not so unusual or suspicious in appearance that Wise ought to have intervened and prevented them. Mr H rejected the investigator's findings stating, in short, that the payments were unusual and should have promoted Wise to intervene.

As Mr H did not accept the investigator's findings, this matter has been passed to me to make a decision.

### **What I have 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 find that the investigator at first instance was right to reach the conclusion they did. This is for reasons I set out in this decision.

I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

### **Should Wise have recognised that Mr H was at risk of financial harm from fraud?**

It is not in dispute that Mr H authorised the payments in this matter. Generally, consumers

are liable for payments they have authorised. However, that is not the end of the story. This is because even if a payment is authorised, there are regulatory requirements and good industry practice which suggest firms – such as Wise – should be on the look-out for unusual and out of character transactions to protect their customers from financial harm. And, if such payments do arise, firms should intervene before processing them. That said, firms need to strike a balance between intervening in a customer's payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer's legitimate transactions.

I have borne the above in mind when considering the payment transactions in this matter.

I am not persuaded that any of Mr H's payments were so unusual or out of character. I acknowledge that the payments were international. However, I do not find that there were any significant aggravating factors which would have indicated that Mr P was at risk of financial harm. For example, the value of the payments was not relatively high; and the payments were sufficiently spaced out.

I acknowledge the most recent account activity prior to the payments concerned was in June 2021. I also acknowledge that Wise says that Mr H's attempted payment on 18 March 2023 for £1,000 was not successful due to account limits. Having considered these points, I am still not persuaded that the payments in question should have triggered. To my mind, they do not amount to significant aggravating factors.

#### Recovery of funds

Mr H made his last payment to VI on 16 June 2023. He reported the scam to Wise on 31 October 2023.

The likelihood that even if prompt action had been taken by Wise on or immediately after 31 October 2023, any of the money transferred would have been successfully reclaimed seems slim. I say this because of the time that had elapsed between Mr H's last payment and when he reported the scam. In these types of scams, fraudsters tend to withdraw/transfer out their ill-gotten gains immediately to prevent recovery.

#### Vulnerabilities

Mr H says that he was extremely vulnerable at the time of the scam due to: separating from his wife in 2022; and childcare responsibilities. He says he, "... *wished to meet someone that he could share the rest of his life with following his separation.*"

First, from what I have seen, I am not persuaded that Wise knew or ought to have known about Mr H's personal issues at the time. Secondly, even if Wise was aware, I am not persuaded that it should have dealt with Mr H's payments any differently. I say this given the nature of the personal issues Mr H says he was experiencing at the time.

#### Compensation for distress and inconvenience

For the sake of completeness, I have considered whether an award for distress and/or inconvenience is warranted in this matter. Having done so, I am not persuaded that it is. Any distress and/or inconvenience Mr H has suffered is a result of the fraudster's actions – not Wise.

#### Conclusion

Taking all the above points together, I do not find that Wise has done anything wrong in the

circumstances of this complaint. Therefore, I will not be directing Wise to do anything further.

### **My final decision**

For the reasons set out above, my final decision is that I do not 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 21 March 2025.

Tony Massiah  
**Ombudsman**