

The complaint

Mr A complains that Wise Payments Limited did not refund the £6,000 he lost to a scam.

What happened

Mr A fell victim to a task-based job scam, after he was contacted via a messaging platform about a remote job opportunity. He was told he had to complete a certain number of tasks before he could withdraw his commission. Certain special tasks cost money to complete but earned more commission. He made some payments with a third-party bank he held an account with before making a £6,000 transfer from his Wise account to purchase cryptocurrency from an individual, before moving it onto the work platform.

He was told he had to pay more fees before he could withdraw his commission and he eventually realised he had been the victim of a scam. He raised a scam claim with Wise who issued a final response letter agreeing it could have done more to prevent the scam, so agreed to reimburse Mr A. However, they felt Mr A should share liability for the loss so offered a 50% reimbursement, totalling £3,000, along with 8% simple interest from the date of the transactions to the date of settlement.

Mr A referred the complaint to our service and our Investigator looked into it. They agreed that the refund should be reduced by 50% to account for Mr A's contribution to the loss. They felt that it was not usual to pay an employer to earn commission or to be offered a job out of the blue via a messaging app. Mr A's representative disagreed and highlighted that Mr A searched the scam company online, which had cloned a legitimate company. And he was added to a group conversation with other individuals who worked for the scam company and appeared to be making money. His representative argued that the job therefore appeared to be legitimate to Mr A and they did not agree that a reduction in the redress was fair.

As an informal agreement could not be reached, the complaint has been passed to me for a final 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.

I'm satisfied that Mr A has fallen victim to a task-based job scam, and I'm sorry he's had to go through this experience. As this complaint is against Wise and not the scammer, I can only consider their actions in this decision.

Wise has already accepted that it should have intervened prior to the payment being processed due to its value and it has therefore offered to reimburse Mr N. As it has accepted liability for the payment, I do not think I need to comment on their liability further within this decision.

Where there is a disagreement, and where I need to make a finding, is whether Mr N should

share liability for the loss and if the redress should therefore be reduced to account for this. In doing so, I've considered whether Mr N has acted as a reasonable person would to protect himself against the loss he suffered. The test is objective but needs to take account of the relevant circumstances.

I've firstly considered Mr A's comments that he looked up the 'company' online and could see they were a legitimate company. Unfortunately, the legitimate company had been cloned by scammers to make the scam appear more convincing. While I accept this would have made the scam company appear more legitimate, I also note that the genuine company placed a warning on their website, which was available just six days before Mr A made the payment complained about.

The warning mentioned that people had cloned their logo and brand to take money from victims when leaving fake reviews and completing fake data analysis of products. I therefore think information was available for Mr A to see a genuine company had been cloned.

I also think Mr A could have realised it was unusual to be offered a job out of the blue via a messaging service, with no official application or interview process. And I note in the group chat with the scammers he said it '*sounds too good to be true*' so I think it's more likely he had some doubts as to the legitimacy of the job offer.

I then think Mr A should have had concerns when he was asked to deposit his own money via cryptocurrency in order to earn commission from his own employer. And I note in both the group conversation and an individual conversation with the scammers, he mentioned that he felt this was a scam and that his friend had warned him he was being scammed. Despite this, Mr A went on to make the £6,000 payment just a few days later.

Considering all of this, I think Mr A should reasonably have had concerns about the payment and I think he could have taken steps to protect himself against the loss he suffered. So, I agree that a reduction of 50% in the redress is fair in the circumstances.

I've finally considered whether Wise could have taken steps to recover the funds from the beneficiary account following the scam. However, as Mr A was purchasing cryptocurrency directly from an individual, who was not involved in the scam, Wise did not have any grounds to try and recover the funds from the beneficiary. So, I don't think they could have done more in the circumstances.

Putting things right

Wise should now reimburse 50% of the loss incurred, totalling £3,000. It should also add 8% simple interest from the date of the transaction to the date of settlement.

If Wise considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr A how much it's taken off. It should also give him a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

I think the redress offered by Wise Payment Limited trading as Wise was fair in the circumstances.

I now direct Wise Payment Limited trading as Wise to pay Mr A the redress outline above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or

reject my decision before 1 November 2024.

Rebecca Norris
Ombudsman