

The complaint

Mr S complains that Wise Payments Limited (“Wise”) have failed to refund the money he lost as part of a scam.

What happened

The details and facts of this case are well-known to both parties, so I don’t need to repeat them at length here.

In short, Mr S says he was contacted by someone via a messaging app and was offered a job. The job was to review products online and he would be paid via crypto. However, once he started doing reviews he was asked to pay to unlock further reviews.

Subsequently, Mr S sent over £6,000 via a series of transfers to different Wise account holders. My understanding is that the funds were ultimately transferred on to B.

Mr S realised that he had been scammed when he was unable to withdraw his earnings.

He made a complaint via a representative to Wise and requested he be refunded the amount he lost during the scam. Wise declined to do this.

One of our investigators looked into this matter and they did not think that Wise needed to intervene due to the size of the payments in question. Mr S did not agree with this and therefore this complaint has been passed to me to issue 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons.

It isn’t in dispute that Mr S authorised the disputed payments he made from his Wise account. The payments were requested by him using his legitimate security credentials provided by Wise. And the starting position is that Wise ought to follow the instructions given by their customers, in order for legitimate payments to be made as instructed.

However, I’ve considered whether Wise should have done more to prevent Mr S from falling victim to the scam, as there are some situations in which it should reasonably have had a closer look at the circumstances surrounding a particular transaction. For example, if it was particularly out of character.

Mr S's account was newly opened, so Wise did not have a transaction history to compare the payments to. The transactions were not in isolation large enough, and the pattern of spending was not sufficiently indicative of a scam, in my view, to be considered unusual or sufficiently out of character to have prompted an intervention from Wise. From what I can see that payments would not have appeared to Wise as crypto related either. So, I don't think that Wise needed to intervene during the scam.

For the sake of completeness even had Wise provided a warning for the latter larger payments, and I don't think it needed to, I don't think that this would have stopped the scam. I say this because as any warning would be related to the transaction reason provided by Mr S, which was investments. At the time a typical general crypto investment scam warning would not have included job scams as these were not as prevalent at the time. So overall and taking everything into consideration, I don't think that Wise could have stopped the scam.

I've also thought about whether Wise could have done more to recover the funds after Mr S reported the fraud.

Wise are under no obligation to refund the money to Mr S under the Contingent Reimbursement Model (CRM) Code as Wise are not part of it. Also, I don't think that they could have recovered the funds directly from the other account holders as given the timescales involved the funds would have likely been moved on, which Wise has confirmed was the case.

I appreciate this will come as a disappointment to Mr S, and I'm sorry to hear he has been the victim a scam. However, I'm not persuaded that Wise can fairly or reasonably be held liable for the losses that he said he incurred in these circumstances.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 April 2025.

Charlie Newton
Ombudsman