

## The complaint

Mrs H complains that Wise Payments Limited ("Wise") have failed to refund the money she lost as part of a scam.

## What happened

The details of this complaint are well known to both parties, so I will not repeat everything again here. Instead, I will focus on giving the reasons for my decision.

In summary though, Mrs H saw an advert on a social media site by a company that I will call B. B said that it would pay Mrs H to complete tasks online.

B then persuaded Mrs H to send funds to other Wise account holders. In total Mrs H made the following payments:

Transaction Number	Date	Amount	Type of payment
1	9 November 2023	£50	Faster Payment
2	10 November 2023	£300	Faster Payment
3	10 November 2023	£329	Faster Payment
4	10 November 2023	£738	Faster Payment

The funds were sent to her Wise account from a different bank.

When Mrs H attempted to withdraw the 'profit' that she could see on B's 'Platform', she was told that she had to pay additional fees. At this point Mrs H realised that she had been scammed.

Mrs H asked Wise to refund these payments, as she believes Wise should have done more to prevent her from being scammed. Wise did not agree with this.

One of our investigators looked into this matter and he thought that Wise did not need to intervene given the size of the payments.

Mrs H did not agree with this and therefore her complaint has been passed to me to issue a 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 Mrs H authorised the disputed payments she made from her Wise account. The payments were requested by her using her 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 Mrs H 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.

In this instance, the transactions were not in isolation large enough, and the pattern of spending was not enough, in my view, to be considered unusual or sufficiently out of character to have prompted an intervention from Wise. So I don't think that it could have stopped the scam.

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

Wise are under no obligation to refund the money to Mrs H under the Contingent Reimbursement Model (CRM) Code as they are not signatories of this code. Also, even if Wise were signatories, the Code would still not apply as it doesn't cover transfers which the payer has effectively made to themselves. I can also see that the funds that Mrs H sent to the scammer were moved from the recipient accounts prior to when the scam was reported to Wise. So I don't think it could have recovered the funds.

I note Mrs H comments at the time that as she had recently given birth she was vulnerable at when the payments were made. But for me to say that Wise should have intervened and her account needed additional monitoring Mrs H would need to have told Wise this before the transactions took place. There is nothing to suggest that this was the case and therefore I don't think that Wise needs to refund the payments due to this.

I appreciate this will come as a disappointment to Mrs H, and I'm sorry to hear she has been the victim a scam. However, I'm not persuaded that Wise can fairly or reasonably be held liable for the losses that she said she 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 Mrs H to accept or reject my decision before 4 September 2024.

Charlie Newton  
**Ombudsman**