

The complaint

Mr O complains, via a representative, that Wise Payments Limited (“Wise”) won’t refund the money he lost to a fake job scam.

What happened

The details of this complaint are well known to both parties, so I won’t repeat everything again here.

However, in brief, Mr O fell victim to a fake job scam after receiving a message from a scammer that I will call B. B said that they were a recruiter for a company that I will call C and it told Mr O that he would be paid for completing a number of tasks. But he would have to send funds to C via a crypto exchange to unlock these tasks. Mr O made the following debit card payments from his Wise account to a crypto exchange.

Transaction Number	Date	Amount
1	5 August 2023	£50
2	6 August 2023	£50
3	6 August 2023	£46
4	7 August 2023	£50
5	7 August 2023	£50
6	12 August 2023	£38
7	13 August 2023	£73
8	13 August 2023	£315
9	13 August 2023	£1,031
10	13 August 2023	£2,432
11	13 August 2023	£4,000
12	14 August 2023	£1,800

Mr O realised he had been scammed when he could not withdraw his ‘earnings’. He raised a complaint with Wise as he believed that it should have prevented him from making the payments.

Our investigator upheld the complaint in part. He thought that Wise should have intervened at payment 10 and asked questions around the context of the payments. He thought that had questions been asked the scam would have been uncovered and stopped. He thought that payment 10,11 and 12 should be refunded but that 50% of this refund should be deducted due to Mr O being equally liable for his loss.

Wise agreed to this outcome but Mr O did not agree and therefore his 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.

It isn't in dispute that Mr O has fallen victim to a scam here, nor that he authorised the disputed payments he made to C (where his funds were subsequently transferred on to the scammers). The payments were requested by him using his legitimate security credentials provided by Wise, and the starting position is that banks 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 O from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character for that account holder.

The first 9 payments were not sufficiently large or out of character for Mr O for Wise to have believed that he was being scammed. The payments were spread out and were to a number of different beneficiaries.

I understand the investigator considered payment 10 ought to have been regarded as unusual and I agree. By this point Mr O had made 4 payments in the same day for increasing amounts and had provided the same purpose - sending money to family and friends. Increasing amounts of payments in the same day is indicative of a scam and I think by this point the reason being provided for the payments should have been questioned by Wise. So, I'm satisfied this payment ought reasonably to have been considered as unusual and triggered an intervention by Wise.

Had Wise contacted Mr O at this point and used the opportunity to ask suitably probing questions, there is no reason to suggest he wouldn't have been forthcoming about what he was doing. There is no evidence of coaching in the scam chat so I don't think that he had been given a cover story and I don't think his answer of paying family and friends would have stood up to scrutiny.

If Wise had questioned Mr O about these payments, it would have likely discovered that he had been 'contracted out' by a company offering to pay Mr O for completing tasks. But Mr O had been told that he would first have to pay for these tasks. I also think that Wise would've discovered that Mr O had made a large number of payments but had not received anything substantial back, despite him apparently working for C. It also would have likely come to light that Mr O was having issues withdrawing his earnings. Being asked for more and more money to withdraw money already 'earned' has all the hallmarks of a job scam.

This is not how companies normally operate. I consider there would have been reasonable grounds for suspicion here. And Wise ought reasonably to have provided a scam warning in light of all the information then known to financial professionals about the risks associated with this type of scam.

Had Wise provided Mr O with a warning, it would have led Mr O to question whether he was in fact dealing with a legitimate business – especially as he had made a number of payments to B but had not received his earnings in full in return.

I think a warning from his account provider combined would have stopped him from making further payments. The result of this is that, probing questions from Wise about the nature of the payment would have likely stopped Mr O from making any further payments.

As a result, I believe Wise should refund the payments Mr O lost to the scam from transaction 10 onwards.

Contributory negligence

I've thought about whether Mr O should bear any responsibility for his loss. In doing so, I've considered what the law says about contributory negligence, as well as what I consider to be fair and reasonable in all of the circumstances of this complaint.

I recognise that there were relatively sophisticated aspects to this scam, not least a platform, which was used to access and manage the user's apparent earnings and tasks.

But, at its heart, the scam appears to have been fairly implausible. While I haven't seen and heard everything that Mr O saw, the fraudster's explanation for how the scheme worked is implausible and I think Mr O ought reasonably to have questioned whether the activity he was tasked with carrying out (which does not appear to be particularly time-consuming or arduous) could really be capable of generating the returns promised. I also think that being asked to review films with no requirement of having to watch them with each review taking around 1 minute according to the initial chat with the scammer should have raised questions about the legitimacy of the job he was being offered.

I also think that there were other things that should have been red flags for Mr O. One of which was the requirement to send funds to acquire the profits he'd supposedly earned.

I also think receiving an unsolicited job offer, via a mobile messaging service app, should've been seen as unusual to Mr O, and so should have led to him looking more deeply into this job he was apparently being offered.

So, given the overall implausibility of the scam, I think he ought to have realised that the scheme wasn't genuine in those circumstances he should bear some responsibility for his losses.

I've concluded, on balance, that it would be fair to reduce the amount Revolut pays Mr O because of his role in what happened. Weighing the fault that I've found on both sides, I think a fair deduction is 50%.

Recovery

I've also thought about whether Wise could have done more to attempt to recover the payments after Mr O reported the fraud. However, Wise are not part of the Contingent Reimbursement Model ("CRM").

Putting things right

For the reasons given above, I uphold this complaint in part and direct Wise Payments Limited to:

- Refund the payments Mr O lost to the scam from and including transaction 10 onwards minus any credits received. Then reduce this by 50% in recognition of Mr O's own contributory negligence towards his loss.
- Pay 8% simple interest per year on this amount, calculated from the date of each payment until the date of settlement, minus any applicable tax.

My final decision

My decision is that I uphold this complaint in part and direct Wise Payments Limited to pay the redress outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 4 December 2024.

Charlie Newton
Ombudsman