

## The complaint

Mrs N has complained that Wise Payments Limited (“Wise”) failed to protect her from falling victim to a job-based impersonation scam.

## What happened

I issued my provisional decision (PD) on this complaint in September 2024. An extract of my PD can be found below.,

In my PD I explained that I was minded to uphold the complaint, and to tell Wise to refund 50% of the fifth and sixth payments that Mrs N made. I invited both parties to comment or provide any further evidence before making my final decision.

Wise responded and accepted the way I thought the complaint should be settled. Mrs N didn’t respond.

### Extract of my provisional decision

#### What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Mrs N has used a professional representative to refer her complaint to this service. For the purposes of my decision, I’ll refer directly to Mrs N, but I’d like to reassure Mrs N and her representative that I’ve considered everything both parties have said.

In November 2023 Mrs N says she was contacted by someone allegedly working for a cinema (“the scammer”) on a messaging app, offering her the opportunity of a part-time remote working role where she would be required to post reviews about movies in order to boost their ticket sales. Mrs N says she was unfamiliar with remote working, but she accepted the role, and she was given access to a “work platform” where she’d complete the reviews and track her earnings. Mrs N was also added to a group chat including other people who were part of the alleged employment opportunity, where they discussed their success in the role. Mrs N says that although there was some mention of commission, no specific rates or amounts were given.

Mrs N sent six payments to the scammers in November 2022. She then reported the scam to Wise, but Wise told her it couldn’t reimburse her.

Around three weeks later, in December 2023, Mrs N sent a further four payments related to the scam. A few days later she reported the scam again, including the four additional payments.

The payments Mrs N sent were as follows:

Date	Amount
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24/11/2023	£50
25/11/2023	US\$50
25/11/2023	£70
25/11/2023	£101.79
25/11/2023	£52.18
26/11/2023	£974.61
13/12/2023	£2,800
13/12/2023	£1,200
13/12/2023	£1,000
13/12/2023	£2,500

Mrs N explains that the payments she made to the scammer were required in order to unlock tasks to reach her target number of reviews per day. She was also asked to send funds to the scammers to release the profits she'd earned. She says she did an internet search and didn't find anything negative about the opportunity, so she trusted it.

When Mrs N wasn't able to withdraw her earnings due to increasing demands to pay in order to do so, she realised she'd been scammed. She made a complaint to Wise as she said that it didn't intervene before the payments were sent, despite them being out of line with the normal activity of her account. She says that if Wise had asked some questions about the purpose of the payments, when she revealed she was making payments to earn money, Wise would've identified the scam. Wise didn't uphold the complaint, so Mrs N referred it to this service.

Our investigator considered everything and didn't think the complaint should be upheld. He explained that he didn't think the payments were out of character compared to Mrs N's previous account activity, so he didn't think Wise should've known Mrs N was at risk of being scammed.

As Mrs N didn't accept the investigator's opinion, the case has been passed to me to make a decision.

### **What I've provisionally 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've reached a different outcome to our investigator, which I've explained below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Mrs N authorised these payments from leaving her account. It's accepted by all parties that Mrs N gave the instructions to Wise and Wise made the payments in line with those instructions, and in line with the terms and conditions of Mrs N's account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

From what I've been provided it doesn't look like Wise asked Mrs N for the purpose of the first four payments she sent, nor did it give her any warnings about the risks involved in making those payments. But I think that's reasonable. Mrs N's account had been open for several years and it was used regularly, and the payments were for modest amounts, in line with the payments

she'd made in the preceding six months. So I don't think Wise ought to have had any reason to suspect Mrs N was at risk of financial harm at this point.

For the final six payments Mrs N made, Wise asked her to select the purpose of each payment from a list. Each time she was asked, Mrs N selected the option that she was "paying to earn money by working online" and Wise then showed her a generalised scam warning which read *"Scams can happen to anyone. New types of scams happen all the time. And it's hard to get money back once you send it. So, while your answers don't suggest this is a common scam, talk to someone you trust. A second opinion can help you send safely."*

Having considered this, I don't think Wise acted reasonably to protect Mrs N from the financial harm that this scam presented.

I say this because by the time these payments were sent, in November 2023, task-based scams were well-known to Wise, and I think it should've been on alert when Mrs N selected the payment reason that she did. But instead, the message it gave Mrs N was misleading. Wise told Mrs N "your answers don't suggest this is a common scam" but as Wise will be aware, it's very rarely, if ever, acceptable for someone to pay in order to earn money. As Mrs N told Wise she was doing this, I think Wise should've intervened further, as a minimum by showing a more appropriate and accurate warning that could've enabled Mrs N to avoid falling further victim to the scam.

*Is Mrs N responsible for any of her losses?*

Although I think the warnings Wise showed to Mrs N were misleading, I'm also mindful that Mrs N needed to take a reasonable degree of care to protect herself from losing money.

Although it seems Mrs N didn't find it unusual that she was contacted out of the blue, it's very unusual for a recruiter or a business to contact an individual and offer them a job through a messaging app, without ever having spoken to them. Mrs N also hadn't received any kind of paperwork or employment contract showing what she thought she'd been offered, or what she'd agreed to do in return, by the time she started making payments to the scammers. This, as well as having to pay to earn money in return, isn't a plausible scenario.

I can also see from the chat transcripts she's provided that on 13 December 2023 Mrs N clearly had doubts about the payments she was being asked to make. After being asked to make the payment of £2,800 she said "I feel they are scamming me" and "I have trust issues now". Mrs N made the payment but was then asked by the scammer to pay a further £1,200 as a result of the delay she'd supposedly caused. In response to this request, she said "you are scamming me now" however she made the payment, although I realise this was most likely in a desperate attempt to withdraw the funds she believed she'd earned.

Following this exchange, Mrs N was told her "application for early withdraw amount" had been approved, but she'd need to pay an additional £1,000 early withdrawal fee within 15 minutes. Mrs N made this payment. Following this, the scammer advised the withdrawal couldn't be made due to a mismatch of Mrs N's details, with some mention of her account being frozen due to a suspicion of money laundering. She was told she'd need to pay £2,5000 in order to unfreeze her funds and withdraw them immediately, which she did. Following further messages about why the funds still couldn't be released, the conversation ended. Mrs N then reported the scam to Wise on 27 November 2023.

It's important to bear in mind here that there's no question in my mind that the four payments made on 13 December 2023 were also part of the scam. But as

they were made after Mrs N had reported the scam previously it's evident she was aware she was making payments to scammers. So even if Wise had intervened in these payments, Mrs N's actions suggest that she'd still have made them, and I therefore don't hold Wise responsible for the losses they resulted in.

With all of the above in mind, I think Wise and Mrs N should share joint responsibility for the losses that resulted from payments five and six, for £52.18 and £974.61. But as Mrs N continued to make payments to the scammers after she was aware of the scam, I don't hold Wise responsible for what she lost from the seventh payment onwards.

I'm very sorry that Mrs N has fallen victim to this scam, and I do understand that it might be disappointing that I'm not proposing to tell Wise to refund everything she lost. But I hope my decision helps her to understand why that's the case.

### **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.

As Wise has accepted my provisional findings and proposed settlement, and as Mrs N didn't provide any further comments, I don't see any reason to depart from my original thoughts.

It therefore follows that I uphold Mrs N's complaint, and Wise needs to put things right.

### **Putting things right**

To put things right, Wise needs to:

- Reimburse Mrs N 50% of the fifth and six payments, for £52.19 and £974.61, and;
- Pay 8% simple interest on each amount, from the date each payment left Mrs N's account until the date of settlement\*.

Wise has requested that Mrs N contacts it to provide details of where the payment should be made.

I can see that Mrs N's representative provided details for payment in its initial correspondence. Wise should use these details in line with Mrs N's instruction.

\*If Wise considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs N how much it's taken off. It should also give Mrs N a tax deduction certificate if she asks for one.

### **My final decision**

I uphold Mrs N's complaint against Wise Payments Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 1 November 2024.

Sam Wade  
**Ombudsman**