

The complaint

Mr M has complained that Wise Payments Limited won't refund the money he lost after falling victim to a scam.

What happened

In 2022, Mr M entered into a cryptocurrency investment scheme after responding to an advert. Unfortunately, this turned out to be a scam. The scammers persuaded Mr M to invest around £5,700. He sent this to them over the course of several weeks, by making card payments from his Wise account to his own crypto account, then sending crypto onto the scammers from there. Mr M was unable to withdraw his profits and was asked to pay a huge fee. He realised he'd been scammed.

In 2024, Mr M complained to Wise about the scam via representatives. Wise didn't think they were liable for Mr M's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mr M's representatives didn't agree, so the complaint's been passed to me to decide.

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 understand that Mr M fell victim to a scam, and so he has my sympathy. I appreciate this cannot have been an easy matter for him to face, and I appreciate why he would like his money back. It's worth keeping in mind that it's the scammers who are primarily responsible for what happened, and who really owe Mr M his money back. But I can only look at what Wise are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Wise liable for Mr M's loss. I'll explain why.

It's not in dispute that Mr M authorised the payments involved. So although he didn't intend for the money to end up with scammers, under the Payment Services Regulations he is liable for the loss in the first instance. And broadly speaking, Wise had an obligation to follow his instructions – the starting position in law is that banks and e-money firms are expected to process payments which a customer authorises them to make.

Wise should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them. But a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. I've thought carefully about whether Wise should have done more in Mr M's case.

The payments involved were spread out over the course of over three weeks, and were mostly of relatively modest value. The final two payments were notably larger than Mr M's usual spending, and I understand his representatives' arguments there. However, I must pay due regard to the type of account involved. The purpose of an account like this was normally to remit money, which commonly would involve the occasional larger transfer than one might see in day-to-day spending. There were only two larger payments here, which didn't quite form a concerning pattern. The others were relatively small and spread out. And while they went to a cryptocurrency platform, this was before the point where Wise were really put on notice about crypto risks. Further, Mr M had used this account for crypto-related transactions quite a bit in the prior period. Indeed, his Wise account was commonly funded by credits from another crypto account of his. So it might not have seemed very unusual if he decided to invest more. And those larger payments were going to an established payee of Mr M's, which was an account in his own name at a well-known exchange. That would've made them seem a bit less concerning to Wise. So I don't think the payments involved quite met the bar of being so unusual or out of character that Wise needed to intervene.

Next, I've considered what Wise did to try to recover Mr M's money after he told them about the scam. Unfortunately, the payments went to Mr M's own crypto wallet, from which he'd already sent the funds on. So it wasn't possible to recover the money there. As these were card payments to a crypto account in Mr M's name, they weren't covered by the CRM Code for scams. And there was no chargeback reason which would've been appropriate here. A chargeback would've been a claim against the exchange rather than the scammers. And the exchange provided the service they were supposed to. There was no realistic prospect of success for a chargeback, and chargebacks are voluntary. So Wise didn't need to try one in this case. And there was nothing more they could've reasonably done to get the funds back.

So while I'm very sorry to hear about what the scammers did to Mr M, I don't think Wise can fairly be held responsible for his loss. And so I can't fairly tell Wise to reimburse Mr M in this case.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 August 2025.

Adam Charles
Ombudsman