

## The complaint

Mr S is unhappy that Wise Payments Limited won't refund payments he made as a result of a job scam.

## What happened

Mr S was the victim of a job scam involving the following payments from his Wise account.

Payment number	Date	Description	Amount
1	2 January 2024	Payment to an individual 'Y'	£50.00
2	2 January 2024	Payment to an individual 'Y'	£50.00
3	2 January 2024	Payment to an individual 'Y'	£200.00
4	3 January 2024	Payment to an individual 'M'	£1,000.00
5	3 January 2024	Payment to an individual 'A'	£1,453.90
6	3 January 2024	Payment to an individual 'K'	£3,000.00

In summary, Mr S was contacted by a supposed recruiter – the role was to review films to increase their popularity which he'd earn commission for. He was told he'd need to complete a set number of tasks in order to withdraw what he'd earned. And that some of these tasks were 'premium' meaning he'd earn a lot more for them, but he would have to pay some of his own money to complete them.

Mr S found he needed to pay more and more money so he could complete the remaining tasks in the set. He realised something wasn't right and he'd been the victim of the scam.

Generally, Wise made the payments Mr S told it to. However, for Payment 6, it showed Mr S a message 'protect yourself from scams' and it asked what the transfer was for from a list of options. One of those was 'paying to earn money by working online', but Mr S selected 'something else'. He was then asked to type the reason – he wrote 'friend' – before he was asked whether someone was rushing him into making the transfer and whether it sounded too good to be true. It seems Mr S answered no to these. As a result, he would've been shown a message that 'scams can happen to anyone' before choosing to continue with the transfer.

Shortly after the final payment as part of the scam, Mr S disputed the payments with Wise. It declined to refund them and his subsequent complaint. To summarise, it said it made the payments Mr S told it to and that he ignored their warnings.

Unhappy, Mr S brought his concerns to our service to investigate.

## 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've reached the same outcome as our investigator for these reasons:

- In broad terms, the starting position is that Wise is expected to process payments that Mr S authorises it to make, in accordance with the Payment Services Regulations 2017. While Mr S was a victim of a cruel scam, it's accepted he authorised the payments. That means he's presumed liable for the losses in the first instance.
- But, as supported by the terms of the account, that doesn't preclude Wise from making fraud checks before making a payment. And, taking into account regulatory expectations and good industry practice, I'm satisfied that it should fairly and reasonably have done this in some circumstances.
- Here, Wise took additional steps before it made payment 6. It's possible to argue that given the pattern of payments emerging, it ought to have stepped in sooner – at payment 5. But either way, I'm not persuaded it would've changed his losses here.
- That's because whether it stepped in at payment 5 or 6, I think a proportionate response to the fraud risk would've been to provide Mr S with a tailored written warning. Or, in other words, a warning which asks a series of questions in order to try and establish the actual scam risk.
- The effectiveness of this type of warning relies on Mr S being forthcoming about what the payment is for. However, the evidence suggests he wouldn't have been. While there was an option that matched his circumstances – 'paying to earn money by working online' – Mr S selected 'something else' and subsequently typed 'friend'. It follows that, whether the warnings were presented at payments 5 or 6, I don't think he'd have seen anything that was particularly relevant to his circumstances. It follows that I don't think these would've stopped him from going ahead with the payments.
- Mr S's representatives argue Wise should have gone further than written warnings – and someone should've spoken to him about the circumstances of the payments. I've noted Mr S has recently responded suggesting Wise did call him to check. But there's no consistent mention of this, and I've not seen any records to support a call was made. And overall, I'm not persuaded that would've been proportionate. I'll explain why.
- Mr S didn't use this account much, so Wise didn't have much to compare these payments to, in order to say they were particularly unusual. And while I realise any amount would've been upsetting for him to lose, none of the individual payments were particularly significant in value, nor did the destinations of them suggest a heightened risk of fraud. I accept that by payment 5 or 6, a pattern was emerging that looked more unusual, as both the values of the payments and the frequency of them were increasing. But I don't think the risk was such that it required a conversation with Mr S. After all, Wise must balance protecting him from fraud with its duty to make the payments he tells it to.
- Mr S's representatives have also pointed out how Wise would've known from his passport and where he was born that English was unlikely to be his first language – so it ought to have known that its written warning may not be effective.

- But I've not seen that Mr S suggested to Wise that he needed extra support – and I'm mindful that he appeared to navigate its systems and questions competently in order to make the payment. In these circumstances, without Mr S saying he needed help, I think it would be asking Wise to make too big an assumption to say that these factors alone meant he was vulnerable to not understanding the warnings – and he required a more robust intervention.
- It follows that I'm satisfied that a tailored written warning, which asks a series of questions to try and establish the actual scam risk, was a proportionate response here. But as the evidence suggests that Mr S wouldn't have seen warnings relevant to his circumstances, I don't think they'd have prevented his losses. So I don't think Wise can be fairly held liable for failing to stop these payments.
- I have also considered whether Wise ought to have done more to recover the payments. But it's provided evidence to show that by the time it heard about the scam, the money had already been moved on from the beneficiaries' accounts. So I don't think it could've reasonably done more to help get the money back.
- I realise my decision will be very disappointing for Mr S, who's clearly been the victim of a horrible scam. But for the reasons I've explained, I don't think it's reasonable to blame Wise for failing to stop or recover his losses here.

### **My final decision**

For the reasons I've explained, I don't uphold Mr S's complaint.

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

Emma Szkolar  
**Ombudsman**