

The complaint

Mr K complains that Wise Payments Limited trading as Wise (Wise) is refusing to refund him the amount he lost as the result of a scam.

Mr K is being represented by a third party. To keep things simple, I will refer to Mr K throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Mr K has told us that he found an advertisement on social media promoting an investment opportunity. The investment appeared to be endorsed by well-known public figures. Mr K clicked on the link provided and was directed to the website of a company I will call "X".

Mr K says he received contact from X and was convinced to make an initial small investment. Mr K was then contacted again by a representative of X that introduced himself as Mr K's broker. X was very professional and knowledgeable which Mr K says convinced him that X was genuine.

Mr K was required to download remote access software to allow X to walk him through the investment process. Mr K was also provided with account details to the trading platform and logged him in.

Mr K told us he communicated with X via a well-known messaging application, but he has not been able to provide a copy of the conversations.

Mr K initially told us that X used remote access software to take funds from his savings account held with another provider but has since confirmed that it was him that had made the payments. X promised the funds would be returned to Mr K but this never materialised, and Mr K realised he had fallen victim to a scam.

Mr K has disputed the following payment made from his Wise account:

<u>Payment</u>	<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
1	15 December 2023	Individual 1	Transfer	£28,000

Our Investigator considered Mr K's complaint and didn't think it should be upheld. Mr K disagreed, so this complaint has 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.

It has not been disputed that Mr K has fallen victim to a cruel scam. What is in dispute is whether Wise should refund the money Mr K lost due to the scam.

Recovering the payment Mr K has disputed

The disputed payment was made by the method of transfer. When payments are made by transfer Wise has limited options available to it to seek recovery. I can see that Wise did contact the operator of the receiving account, but no funds remained.

With the above in mind, I don't think Wise had any other reasonable options available to it to seek recovery of the payment Mr K has disputed.

Should Wise have reasonably prevented the disputed payment from being made?

When Mr K first brought his complaint to this service, he said the disputed payment was not authorised by him.

When Mr K reported the scam to his other bank where the funds originated from, he said he had only allowed X to take a small amount and that X had taken the remaining payments without his consent, he was not sure how X was able to do this, but Mr K had downloaded remote access software. Mr K also said he did not have an account with Wise.

When our investigator was looking into Mr K's complaint Mr K was asked various questions about the scam and he confirmed that he made all of the disputed payments himself and that he had used the Wise account as X had advised that this account provider was generally used for this type of payment.

While conflicting information has been provided about who made the payments and if Mr K was aware of the Wise account, I think it's most likely that Mr K authorised the payments that were made from his accounts, albeit on X's instruction, and was aware of the Wise account in his name. So, the starting point here is that Mr K is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Wise should have been aware of the scam and intervened when the payments were made. And if it had intervened, would it have been able to prevent the scam taking place.

Mr K's account with Wise was newly opened without any history to compare his usual spending habits to. However, the payment Mr K made in relation to the scam was significant in value so I think Wise should have had concerns that Mr K could have been at risk of financial harm and it should have intervened.

I think that a proportionate intervention would have been for Wise to have discussed the payment Mr K was attempting to make with him, with the intention being to find the circumstances leading to the payment so it could provide an appropriate warning. Considering the type of accounts offered by Wise it could have provided this intervention, for example, by directing Mr K to its in-app chat facility.

Although I am not persuaded that an intervention like I have explained above would have made a difference. I will explain why.

Mr K has provided limited evidence to support the communication he had with X leading up

to the scam payments and throughout the time the scam was taking place. Mr K said he had conversations with X via a messaging application but has not been able to provide evidence of the message exchange.

While Mr K has told us that he was not given a cover story to tell his bank when making payments he has also provided contradicting information about how the payments were made and who made them.

In addition to the above, when Mr K made the payment from his wise account, he selected the payment reason to be 'sending money to friends and family'. This was clearly incorrect.

With the information I do have, I don't have enough to confidently say that Mr K was not given a cover story to tell his account providers had they intervened, or that Mr K would likely have provided truthful answers had he been questioned about the payments.

With the above in mind, I don't think Wise missed an opportunity to prevent the scam and it is not responsible for Mr K's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 12 December 2025.

Terry Woodham
Ombudsman