

## **The complaint**

Mr M complains that Wise Payments Limited hasn't protected him from losing money to a scam.

## **What happened**

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, Mr M has explained that in October 2023 he made ten payments totalling over £60,000 from his Wise account as a result of what he thought was a legitimate job opportunity. Mr M also separately made payments as a result of the same scam from accounts he held with two third-party payment service providers I'll call "PSP H" and "PSP R".

Mr M subsequently realised he'd been scammed and got in touch with Wise. Ultimately, Wise didn't reimburse Mr M's lost funds, and Mr M referred his complaint about Wise to us concerning both Wise's role as Mr M's sending payment service provider ("PSP") *and* its separate role as the receiving PSP (the scammer's account provider). As our Investigator couldn't resolve the matter informally, the case has been passed to me for a decision. I'm concurrently issuing final decisions on Mr M's separate but linked complaints about PSP H and PSP R.

## **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.

This decision covers both Wise's role as Mr M's sending PSP, and its separate role as the receiving PSP (the scammer's account provider). I've decided to uphold this complaint only in part (and not in the main), as I agree with our Investigator's conclusions for the following reasons.

### Regarding Wise's role as Mr M's sending PSP

- I don't doubt Mr M has been the victim of a cruel scam here. He has my heartfelt sympathy. Ultimately, however, Mr M has suffered his losses because of fraudsters, and this doesn't automatically entitle him to a refund from Wise. It would only be fair for me to tell Wise to reimburse Mr M his loss (or part of it) if I thought Wise reasonably ought to have prevented the payments (or some of them) in the first place, or Wise unreasonably hindered recovery of the funds after the payments were made; and if I was satisfied, overall, this was a fair and reasonable outcome.
- As our Investigator explained, Wise did intervene including asking Mr M about the purpose of some of his payments and giving fraud and scams warnings based on his answers. Unfortunately it does not appear Mr M was prepared to be fully transparent with Wise despite being warned about fraud and scams but instead unfortunately appears to have been very much under the spell of the scam and the scammers, as

shown by the messages exchanged between Mr M and the fraudsters, as our Investigator explained.

- Despite Wise's interventions, Mr M unfortunately continued to make payments to the scam. And unfortunately, from the evidence of the way in which Mr M interacted with Wise, from the evidence of the messages exchanged between Mr M and the fraudsters, what Mr M has said about how he found the scam convincing, and the evidence I've seen in Mr M's separate but linked complaints about PSP H and PSP R, I'm not persuaded that any proportionate level of intervention from Wise in this case most likely would have resulted in Mr M ultimately not making payments for this amount to the fraudsters and unfortunately losing them. I've considered everything Mr M and his representative has said. However, whilst there are cases where proportionate and appropriate interventions from Wise could prevent losses to fraud, I'm not persuaded this is most likely one of them. I haven't seen anything to make me think Wise likely would have been able to change Mr M's mind about making these payments – I think instead he would have ultimately reverted to the fraudsters and still been persuaded to make payments of this nature regardless.
- I'm not persuaded there were any prospects of Wise successfully recovering the funds (beyond the £20.03 noted below) given the nature of these payments – Revolut was never reasonably going to be able to recover more than this given the circumstances here.

#### Regarding Wise's role as the receiving PSP

- Our Investigator explained why we're only able to consider a complaint about one of the recipient accounts. In respect of this account, there wasn't anything at the time that I think reasonably could've alerted Wise that the account it was opening would later be used to misappropriate funds. So, I'm satisfied it didn't miss an opportunity to prevent the fraud when opening the account.
- I've also considered whether there was anything prior to when Wise was notified Mr M had been scammed that ought to have alerted Wise to the possibility of fraud. I'm satisfied none of the account activity ought to have stood out to Wise as unusual or suspicious. So, I can't fairly say Wise unreasonably missed an opportunity to prevent Mr M's loss here either.
- Mr M reported the scam to Wise on 7 November 2023, at which point the recipient account's statements show £20.03 still remained. Our Investigator therefore recommended that Wise repay that amount to Mr M with interest; Wise told us that it agrees to do so, and I think this represents a fair outcome bearing in mind I wouldn't expect Wise to have been able to recover more of Mr M's funds than this given they'd already been spent away from the recipient account by the time Wise was on notice that Mr M has been scammed.

Whilst Mr M has undoubtedly been the victim of a cruel scam, in circumstances like this I can't fairly tell Wise to refund to him more than this, where I'm not persuaded Wise reasonably ought to have been able to prevent Mr M's further losses or to have recovered them.

#### **My final decision**

For the reasons explained, I uphold this complaint in part (but not in the main) and I direct Wise Payments Limited to pay Mr M:

- £20.03; plus
- interest on this amount calculated at 8% simple per year from the date Mr M reported the scam to the date of settlement (if Wise deducts tax from this interest, it should send Mr M the appropriate tax deduction certificate).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 April 2025.

Neil Bridge  
**Ombudsman**