

The complaint

Mr A complains that Wise Payments Limited didn't do enough to protect his money from fraud and then didn't refund him the money he lost when he alerted it to the scam. He wants the money he lost refunded.

What happened

Mr A was contacted through a messaging app by an individual. The individual (the scammer) said they had cryptocurrency stuck in a wallet and said that if Mr A helped them to retrieve this, he could have 10% of the balance. Mr A was told to set up a cryptocurrency wallet on a platform provided to him and he was then required to pay various fees. As he was asked to pay increased amounts of fees, he became suspicious. He then realised he had been the victim of a scam, and he raised this with Wise.

Wise issued a response to Mr A's complaint. It said that Mr A had transferred money from his Wise account to an e-wallet and that once the transfer was complete, the service had been provided and so Wise wasn't able to raise a chargeback for these payments. Wise recognised that Mr A had lost money by being a victim of a scam but said that it hadn't done anything wrong noting that Mr A had authorised the payments and that he had been shown warnings. It said that the scam had occurred after the money had been transferred from Mr A's Wise account and that having reviewed the payments, it didn't detect any suspicious activity that should have given it reason to believe the payments were not genuine.

Mr A referred his complaint to this service.

Our investigator noted the payments that Mr A had made from his wise account which he had said were part of the scam.

Payment	Date	Transaction	Amount
1	1 December 2024	Debit card	£310.00
2	1 December 2024	Debit card	£270.70
3	2 December 2024	Debit card	£34.07
4	2 December 2024	Debit card	£812.00
5	3 December 2024	Debit card	£1,358.82
6	3 December 2024	Debit card	£1,454.00
7	4 December 2024	Debit card	£905.00
	<i>4 December 2024</i>	<i>Debit card - cancelled</i>	<i>[£3,260.00]</i>

8	4 December 2024	Debit card	£1,200.00
9	4 December 2024	Debit card	£1,200.00
	<i>4 December 2024</i>	<i>Debit card - cancelled</i>	<i>[£971.10]</i>
	<i>5 December 2024</i>	<i>Debit card - cancelled</i>	<i>[£2,655.60]</i>
10	7 December 2024	Debit card	£1,239.00
11	8 December 2024	Debit card	£1,240.00
12	9 December 2024	Debit card	£1,630.00
13	10 December 2024	Debit card	£1,750.00
		Total	£13,403.59

Our investigator thought that Wise should have recognised the payments as being out of character for Mr A, noting the frequency of payments compared to Mr A's previous account usage and that he was making payments of increasing value to entities that offered cryptocurrency. He thought that by the time the payment of £3,260 was made, Wise should have identified that Mr A might be at risk of financial harm. At this point Wise declined the transaction and issued a warning to Mr A. Our investigator didn't think this went far enough. He thought that Wise should have asked a series of questions about the payment Mr A was making in an attempt to narrow down the specific scam risk. Once that risk had been identified, Wise should have provided a warning which covered off the key features of the scam risk identified – in this case, a cryptocurrency scam.

Our investigator then considered what would likely have happened had Wise made the above intervention. He noted that Mr A confirmed that he had access to a trading platform, provided to him by the scammer, and this seemed legitimate and that as he believed everything to be legitimate at the time, he wouldn't have taken on board an on-screen warning from Wise. Therefore, our investigator didn't think the tailored warning that Wise ought to have provided would have unravelled the scam at this point.

Mr A made further payments on the same day, and Wise reviewed his account which our investigator thought was reasonable. As part of the review, our investigator thought that Mr A should have been contacted by Wise to establish the circumstances surrounding the payments. This didn't happen. Our investigator thought that had Wise contacted Mr A and asked the appropriate questions, Wise would have uncovered the scam, and further payments could have been prevented. Our investigator noted that while Wise should have done more, Mr A could also have done more to protect himself and so he recommended that Mr A be refunded 50% of the payments made after the account review, totalling £2,929.50 (along with 8% interest from the date of the transactions until the date of settlement).

Wise paid the refund to Mr A but Mr A didn't think this was a fair resolution to his complaint. Mr A said he made several transactions including high value cryptocurrency related payments within a short time frame before Wise reviewed his account. He said that action should have been taken sooner and that Wise should have contacted him to ask appropriate questions about the payments he was making. He said that had this happened, the scam would have been identified sooner and his losses prevented.

Mr A didn't agree that the liability should be shared equally between himself and Wise. He accepted that he was misled and possibly over trusting but said that Wise was the financial expert and it had the tools and duty to protect against fraud.

As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue a decision.

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 am sorry to hear of the experience Mr A had, and I accept that he has been a victim of a scam and lost money through this. When considering a complaint, I take all relevant rules, regulations and guidance into account, but my decision is based on what I consider fair and reasonable given the evidence I have seen, and the wider circumstances at the time.

Mr A authorised the payments from his Wise account. Under the Payment Service Regulations 2017, the starting point is that Mr A is liable for the payments he authorised. However, Wise should have systems in place to look out for out of character or unusual transactions, or other signs that might indicate that its customers are at risk of fraud.

Mr A made several payments from his Wise account between 1 and 10 December 2024. The payments were being made to different accounts. Having looked at Mr A's Wise account history, in the months leading up to December 2024, he had limited transactions going through the account. However, I note around a year earlier he had made some sizeable transactions through the account (between £1,000 and £2,000). Taking this into account, while there was an increase in activity in December 2024, I do not think the size of the initial payments were such that Wise was required to intervene.

However, by the time Mr A made the payment instruction for £3,260 on 4 December 2024, I think that there was enough to suggest that Mr A's account behaviour was unusual and that he may be at risk of financial harm. I say this because Mr A was making payments in close succession to accounts that involved cryptocurrency. By the time of this payment Mr A had made payments totalling over £5,000 within a few days.

Wise did intervene at the £3,260 payment and the transaction was declined and Mr A's card frozen. A warning was issued alerting Mr A to the possibility of a scam and asking if someone was pressuring Mr A to make the payment or giving him investment advice. While I note this intervention, I do not think it went far enough. Given the pattern that was emerging in Mr A's payments and the heightened risk of payments linked with cryptocurrency, I think that Wise should have asked more questions to identify the specific scam risk – in this case cryptocurrency – and then provide Mr A with a tailored warning.

However, while I think a tailored warning was needed at this time, Mr A has said that he probably wouldn't have acknowledged an online warning as he believed to be depositing funds with a legitimate platform. Therefore, I cannot say that a more detailed warning at this time would have prevented Mr A making further payments.

Mr A did unfreeze his account and made further payments on the same day. Wise stopped Mr A's payment for £971.10 and asked for a manual review of his account. At this point, I think Mr A's payments should have raised serious concerns that he was at risk of financial harm and human intervention was needed to understand more fully the circumstances behind his payments. Mr A has said he had no reason to lie about his activities, and so had he been contacted by Wise at this point to discuss his payments I think it more likely than not

that he would have explained that he had been contacted by an unknown third party and required to set up an account and make the deposits. At this point I think the scam would have been identified. Because of this, I think that proportionate intervention would have prevented Mr A from the losses he made from 7 December 2024 onwards.

While I think that Wise should have taken further intervention measures to protect Mr A from the scam, I also think that Mr A could have done more to protect himself. Mr A was contacted by someone he didn't know and required to make several payments within a short space of time. I think this should have raised concerns and he could have done more to understand where he was making payments to, and the risks associated with these. Therefore, in this case I think it fair that the liability is split between Mr A and Wise 50/50.

I have also considered whether Wise could have done more to recover Mr A's money once notified of the scam. But, as Mr A was making payments from his Wise account to other accounts from which the money was removed, I do not find that Wise could have done anything further to recover the money.

So, while I understand that Mr A wants a higher portion of his losses refunded and for Wise to be liable for all upheld losses, in this case, I agree with the outcome set out by our investigator. That is that Mr A receive a 50% refund of all losses from 7 December (equalling £2,929.50) along with 8% interest.

Putting things right

In resolution of this complaint, Wise should refund 50% of the transactions made after it reviewed Mr A's account. This should total £2,929.50. Wise should then add 8% interest from the date of the transactions until the date of settlement. I understand that a refund has already been provided.

My final decision

My final decision is that Wise Payments Limited should (to the extent this hasn't already happened) take the action set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 29 October 2025.

Jane Archer
Ombudsman