

## The complaint

Mr G complains that Wise Payments Limited didn't do enough to prevent the loss he suffered when he was the victim of a scam. He is also unhappy that his account was closed.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In April and May 2024 Mr G made a series of payments from his Wise account which he says were as a result of a scam.

Mr G describes how he believed he was making an investment that he'd found online. He says those he was dealing with told him to tell his bank(s) that he was paying for financial services and he was given invoices to share if he was questioned.

Mr G went on to make the following payments, H E and T are all limited companies. As well as providing services to Mr G, Wise also provided E's account.

Payment Number	Date	Recipient	Amount
1	17 April 2024	H	£6,000
2	18 April 2024	E	£10,000
3	19 April 2024	E	£10,000
4	24 May 2024	T	£10,000
5	24 May 2024	T	£10,000
6	24 May 2024	T	£10,000
7	24 May 2024	T	£10,000
8	24 May 2024	T	£10,000
9	24 May 2024	T	£10,000

Ultimately in June 2024 Wise decided to close Mr G's account, they quoted part of their terms to support their decision. In July 2024, Mr G reported to Wise that he'd been the victim of a scam in relation to the above payments. Wise said they weren't able to recover any money.

The matter was referred to our service and one of our Investigators didn't recommend that the complaint should be upheld. She didn't think Wise had acted unfairly and didn't direct that they needed to do more. Mr G disagrees and asked for an Ombudsman to make a decision.

Because our Investigator hadn't addressed Mr G's point about his account being closed, I shared my thoughts on this informally with both sides and provided an opportunity for further comment. As such, I can now go ahead with my 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'm also aware that Wise provided an account that Mr G paid from his business (limited company account). That complaint has been addressed separately by our service. My findings here are solely in relation to the actions Wise took in relation to Mr G's own personal account and the account that they provided to E.

I'll first deal with Wise's actions in relation to Mr G's own account. Wise's first obligation is to follow the payment instructions provided by their customers like Mr G. But, they should also be alert to the possibility of fraud, scams and the misappropriation of funds and do what they can to try to protect their customers from the same.

When Mr G instructed payment three, Wise intervened and asked questions. This included further verification of Mr G's identity and Mr G providing an invoice which supported the reason for his payment. Mr G (under the influence of the scammers) said that he was paying for services that had been provided. I'm aware from information on Mr G's business' complaint that when that bank also intervened in broadly similar circumstances, Mr G again provided explanations and provided reasons as directed by the scammer. In light of this, whilst I accept that Mr G was tricked, I don't think any reasonable level of intervention that could fairly be expected of Wise would've prevented him making the payments he did from his Wise account, or that the scam would've been uncovered. The weight of the evidence is that Mr G was prepared to mislead Wise as to the true purpose of his payments and to provide documentary evidence to support this. So I don't think Wise can fairly be said to be at fault for the payments leaving the account. I consider their intervention in payment three to be reasonable in the circumstances and even if they ought to have gone further, or intervened again in any of the later payments, for the reasons given, I don't think this would've made a difference.

Mr G reported the scam to Wise on 4 July 2024. For the payments that went to E, the statements I've seen show that Mr G's money was moved on before Wise were on notice of a problem, so I don't think they could've done more to recover those funds. I can also see that Wise contacted T and H's account providers on 9 July 2024 to attempt to recall the funds. I would've expected Wise to have done this sooner than they did. Wise have explained that they had a backlog at the time. But I'm not persuaded that on balance this made a difference to what could be recovered. By that point the payments were already several weeks old and its more likely than not that the money was promptly moved on from the recipient accounts, as it was from the account with E. So overall I don't think Wise's actions in handling recovery efforts resulted in any meaningful detriment to Mr G.

I've next gone on to consider Wise's actions as they relate to E's account. I don't think there were any failures by Wise when opening the account that impacted on Mr G's loss. Wise took appropriate ID and conducted appropriate checks. The evidence supports that the scammers had access to numerous accounts in various jurisdictions. So even if I'm wrong on this point and Wise shouldn't have opened E's account, I don't think Mr G would've ended up in a different position as it's most likely he would have instead been direct to pay another account.

E's account with Wise was relatively recently opened when Mr G's payment arrived. And I don't think there were any failings by Wise in their monitoring of that account that impacted the loss suffered by Mr G. Even if Wise had intervened, the payments appeared to be intended for the named accountholder, and given E were most likely complicit in the scam, I don't think any intervention would've uncovered a problem at that stage. And as I've already covered, Mr G's funds were moved on from that account before Wise were on notice of a problem (from Mr G or anyone else) with the account. So overall, I don't think Wise need to do more based on their actions in relation to E's account.

I also don't think Wise treated Mr G unfairly when they decided to close his account. Having reviewed the account terms (which form the basis of the agreement between Mr G and Wise), they do allow for accounts to be closed. Much as Mr G is free to choose who to enter into (or continue) agreements with, the same is generally true for Wise. Wise highlighted that their terms allow them to close an account immediately and relied on part of their terms which say "*we reserve our right to deny our services to any customers who exceed our risk tolerance.*" Given the activity on Mr G's account at the time, I don't think Wise unfairly exercised their discretion in this regard or acted outside the terms of the account.

Overall, I'm sorry Mr G has been the victim of a cruel scam as he has. But as I don't think Wise can fairly be said to be responsible for the outstanding loss (or a part of it), there isn't a reasonable basis upon which I can require them to do more to resolve this complaint.

### **My final decision**

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 27 October 2025.

Richard Annandale  
**Ombudsman**