

The complaint

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

Mr D is being represented by a third party. To keep things simple, I will refer to Mr D 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 D tells us that he viewed a video online for a business I will call "X" advertising an investment opportunity, the opportunity offered substantial returns after making a relatively small investment. The investment appeared to be endorsed by a well-known celebrity.

Mr D completed an online form and received a call from a representative of X. X appeared very knowledgeable and genuine, and introduced Mr D to a professional looking trading platform.

Mr D started investing with a small payment he made from an account he held with another provider and could see his investment was growing. After making a second small payment on the advice of X, X encouraged Mr D to take part in another investment that required a total deposit of £100,000. Mr D agreed to invest and could see his account growing to around £700,000.

It was then explained to Mr D that he had made a trading error and would have to pay an additional fee to fix the error. X then liquidated the remaining assets leaving a significant balance in Mr D's account.

However, when Mr D attempted to withdraw the funds, he was asked to pay multiple other fees first. Mr D made various payments and was told a courier would deliver Mr D's funds to him and escort him to his bank to facilitate a transfer.

Mr D realised he had fallen victim to a scam when the courier didn't arrive, and X stopped communicating with him.

Mr D Made the following payments in relation to the scam from his Wise account:

Payment	Date	Payee	Payment Method	Amount
1	5 February 2024	Renta Pacific Group Limited	Transfer	£19,700.00
2	8 February 2024	Techtek Consult Ltd	Transfer	£5,000.00
3	13 February 2024	Pay order	International transfer	€2,000.00
4	21 March 2024	SpaceKeep s.r.o.	International	€8,250.00

			transfer - Cancelled	
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Our Investigator considered Mr D's complaint and didn't think it should be upheld. Mr D 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 D has fallen victim to a cruel scam. The evidence provided by both Mr D and Wise sets out what happened. What is in dispute is whether Wise should refund the money Mr D lost due to the scam.

Recovering the payments Mr D made

Mr D made payments in relation to the scam by transfer and international transfer. When payments are made via these methods Wise has limited options available to it to seek recovery of the payments.

In my experience scammers usually move funds from payee accounts soon after they are received. Considering the time that passed between Mr D making the disputed payments and him reporting them to Wise, I think it's unlikely any funds would remain in the payee accounts to be recovered.

Should Wise have reasonably prevented the payments Mr D made?

It has been accepted that Mr D authorised the payments that were made from his account with Wise, albeit on X's instruction. So, the starting point here is that Mr D 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 Mr D made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

The payments Mr D made in relation to the scam were significant in value. Considering the value of the payments I think Wise should have intervened when payment 1 was attempted.

On 2 February 2024 Mr D attempted to make payment 1. This payment was flagged by Wise, and an email was sent to him that prompted him to call Wise on 5 February 2024. I have listened to a recording of this call.

During this call Mr D confirmed:

- He was making the payment for an online service
- He had a business relationship with the payee

Mr D also sent two emails to Wise again confirming he had a business relationship with the payee, and he was happy with the service he had received. Mr D also confirmed that the payee *"have helped my business to solve issues, create value, maximise growth and improve business performance. I do not want to jeopardise this relationship or miss*

the deadline for the payment.”

On 8 February 2024 Wise intervened again when Mr D made payment 2. This time Wise emailed Mr D and asked for more information about the payment.

Mr D responded to Wise’s enquiry. Mr D explained that the payment was in relation to a service he provides through his business and provided a website address for his business. The service was for:

“...transformative web design, strategic digital marketing, and dynamic social media management.”

Wise intervened again when Mr D attempted payment 4. Mr D sent an email to Wise explaining he was unhappy with the delays, and the delays were:

“...impacting the services I am receiving and consequently, my business operations. I have been a loyal user of Wise’s services in the past and have never encountered such delays. While I understand and appreciate the measures taken to protect your clients, the urgency of this transfer cannot be overstated.”

After completing its checks Wise decided it was not willing to make the requested payment and it closed Mr D’s account.

It’s clear from the information Mr D provided to Wise in relation to the payments he was making that he was willing to provide dishonest information to have the payments processed.

In addition to the above Mr D took several loans to fund the scam. Mr D has confirmed that he didn’t give correct reasons when applying for the loans either.

Aswell as making payments from Wise in relation to the scam Mr D made payments from other accounts he held with other providers. The other providers intervened on multiple occasions throughout the time the scam was taking place.

Mr D confirmed:

- He had not downloaded any screensharing software.
- He had not been advised to create an account after hearing about an investment opportunity.
- He was using a web browser to access his account as it was easier.
- He had found the cryptocurrency exchanges by carrying out research on the FCA.
- Nobody referred anything to him.
- He chose the account provider as it was a UK regulated institution.
- He was purchasing goods or services.
- He took full responsibility for the payments.
- He understood that if he was being scammed the fraudster may ask him to hide the real reason for the payment.
- He was not being assisted with the questions.
- He was buying goods from an online retailer.
- The goods were averagely priced or more expensive than usual.
- He knew or had met the seller.
- He had seen proof of ownership.
- He was making a business transfer.
- He had not been told to select “Goods or Services” for the payment purpose.

- He knew the payee.
- He took full responsibility for the payments
- He wasn't being guided with the transaction
- He had not been asked to send the money
- He was transferring funds probably for a holiday.
- He was not on the phone to anyone else.
- He had not been told to lie about the reason for the payment.

Overall, I think it's clear that Mr D were being guided by X and was willing to give dishonest answers to have payments in relation to the scam made. Mr D was also willing to ignore warnings given by him by his other account providers.

So even those Wise could have intervened further than it did, I don't have enough to say that Mr D would have provided more honest information than he did on multiple other occasions.

Providing dishonest information would and did make it very difficult for Mr D's account providers to uncover the scam that was taking place. So, I don't think Wise missed an opportunity to uncover the scam and it is not responsible for Mr D's loss.

Mr D has stated that he was vulnerable at the time the scam was taking place. He is an elderly man with various health conditions. I have thought about what Mr D has told us but as Wise was not aware of Mr D's health conditions until he reported the scam, I am unable to say that Wise should have taken these into consideration.

I also don't think Mr D's age alone would reasonably have caused Wise to have concerns. Mr D was able to discuss the payments with Wise and his other account providers, and I can't see anything that would have concerned Wise that Mr D's age was negatively impacting his ability to make reasonable decisions.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 9 January 2026.

Terry Woodham
Ombudsman