

The complaint

Mr A has complained that Wise Payments Limited won't refund the money he lost after falling victim to a scam.

What happened

In summary, in 2024, Mr A found an investment scheme through an advert on social media, but this was actually a scam.

The scammers persuaded Mr A to install remote access software, take out a loan, and use the loan funds to buy cryptocurrency and send it to their platform. Mr A did this from his bank account at a different firm and received some returns. That bank spoke to Mr A about the spending and warned him about investment scams. Mr A gave them a false cover story and went ahead.

A few months later, Mr A told the scammers he was very keen to invest with them again. On their instructions, he used Wise to send about £15,000 to an account abroad. The scammers told Mr A that the account abroad was his and they'd set it up for him, but it was actually under the scammers' control. In the end, Mr A was unable to withdraw any further and they stopped replying to him.

A couple of months after the payment, Mr A reported the scam to Wise. Wise didn't think they were liable for Mr A's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mr A's representatives asked for a final decision, so the complaint's 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.

I understand that Mr A fell victim to a scam, for which he has my sympathy. I appreciate this cannot have been an easy matter for him to face, and I appreciate why he would like his money back. It's worth keeping in mind that it's the scammers who are primarily responsible for their own scam, and it's the scammers who really owe Mr A his money back. But I can only look at what Wise are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Wise liable for Mr A's loss. I'll explain why.

It's not in dispute that Mr A authorised the payment involved. So although he didn't intend for the money to end up with scammers, under the Payment Services Regulations he is liable for the loss in the first instance. And broadly speaking, Wise had an obligation to follow his instructions – the starting position in law is that e-money firms are expected to process payments which a customer authorises them to make.

Wise should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them, though a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. Given factors like this payment's size, it going to a new international payee from a dormant account, and not seeming to be in-line with the account's stated purpose, I think Wise should've intervened here. But that doesn't automatically mean that Wise are liable for the loss. The question, then, is whether reasonable, proportionate intervention was most likely to have prevented the loss or not.

I'm afraid that, even if Wise had intervened proportionately, it doesn't seem likely that they would've been able to uncover the scam, and it seems more likely than not that Mr A would've still gone ahead. I'll explain why.

Mr A's bank did speak to him about his spending towards this same scam on his other account. I see that Mr A asked the scammer to call him about that fraud check prior to him speaking with his bank, and it seems the scammer gave him advice. Then during the call, Mr A consistently misled his bank, sticking confidently to a plausible false cover story. He claimed he was just buying crypto of his own accord, the money was just going to his own crypto wallet, he was not speaking to any third party, there was no investment scheme or company involved, he'd researched everything himself and would only send his money to his exchange as it was FCA-regulated, he'd not installed any remote access software, he'd not recently been on a call with anyone, and so on. It also appears that Mr A funded this by taking out a loan under false pretences. It looks like he had it paid into a different bank, then he sent the funds on to this bank account such that it looked like a normal transfer, then gave this bank a misleading answer about the source of the funds.

Further, Mr A's bank warned him about investment scams like this one, including about finding third parties on social media, being asked to send the funds on to another wallet, third parties setting up accounts on one's behalf then just taking the money, unregulated investments, crypto risks, and professional-looking fake platforms. But Mr A didn't heed the relevant warnings, claimed they didn't apply to him, and went ahead anyway.

While that call was a few months before this Wise payment, it does provide useful evidence of how Mr A was likely to act in intervention regarding this scam. And I've not found anything which would make me think that Mr A would've acted differently had Wise intervened. On the other hand, after misleading his bank, Mr A asked the scammer to help him plan further payments to get around bank restrictions. Then by the time of this Wise payment, Mr A had received returns, and was very keen to invest with the scammers again, even chasing them quite eagerly. It looks like he really trusted them, saying he believed in them and their process entirely. It's clear that Mr A was under the scammers' spell, and was happy to follow their instructions. And it appears that he was even speaking with them while he made the Wise payment in question.

Given all of that, it does not seem likely that Mr A would've been open with Wise or would want to have stopped. It seems much more likely that he would've acted in a manner more consistent with how he'd dealt with his bank in relation to the very same scam, not least after making further plans on how to bypass restrictions, keenly chasing up the scammers, being guided by them at the time, and so on. And so it seems most likely that even if Wise had carried out reasonable, proportionate intervention, they would not have been able to uncover or prevent the scam here.

I've then considered whether Wise could've reasonably done more to recover the money after Mr A told them about the scam. Unfortunately, the matter was only reported two months afterwards, and it's a common tactic for scammers to move on the money as quickly as possible, before the victim realises what happened. Further, this was an international payment, where the receiving bank was under a different set of rules, all of which meant that it wasn't realistically likely that Wise could've got the money back. And as this was an international payment, it wasn't covered by schemes like the CRM code for scams.

So while I'm very sorry to hear about what the scammers did to Mr A, I don't think Wise can fairly be held responsible for his loss. And so I cannot fairly tell Wise to reimburse Mr A in this case.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 10 December 2025.

Adam Charles
Ombudsman