

The complaint

Mrs G complains about the actions of Wise Payments Limited when she lost money to a scam.

Mrs G is being represented by a legal representative but, for ease, I'll only refer to Mrs G below.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Around early May 2023 Mrs G was contacted on her phone by a merchant (scammer) claiming to be in possession of \$50,000 from an investment she made in crypto a few years before. Mrs G believed the scammer was trying to help her retrieve this money. She received a link to a genuine crypto exchange where she was told to send money to by the scammer. She started sending money to the scammer via a crypto exchange from a bank account she held with a bank - I'll refer to here as D. After Mrs G started making payments D told her that it thought she was likely being scammed. But Mrs G continued to send payments from another bank account she held with a bank – I'll refer to here as H. From H, Mrs G attempted to send money to crypto exchanges and to her newly set up account with Wise.

Mrs G then made payments totalling around £95,216 from her Wise account to a variety of crypto exchanges between 29 May 2023 and 23 August 2023. Mrs G realised she had been scammed when she ran out of funds and lost contact with the scammers. So, she made a complaint to Wise who said it wouldn't be refunding her money. Unhappy with that response she brought her complaint to this service.

Our Investigator didn't think the complaint should be upheld. She said that although Wise didn't stop any of the payments, she didn't think it would've likely uncovered the scam based upon the answers Mrs G gave to D and H when it intervened on her payments.

Mrs G disagreed and asked for an Ombudsman's review. She said that Wise should've done more to stop this scam.

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.

Having done so, I'm not going to uphold the complaint. I'm sorry to hear that Mrs G has been the victim of a cruel scam. I know she feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board

and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I have to make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

It is common ground that Mrs G authorised the scam payments of around £95,216. I accept that these were authorised exchanges of her money into crypto even though Mrs G was the victim of a scam. So, although it wasn't her intention to send her crypto to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of her account, Mrs G is presumed liable for the loss of her money when she exchanged it into crypto in the first instance.

However, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Wise to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud.

Wise's first obligation is to follow the instructions that Mrs G provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect Wise to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect Wise to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There might also be cases where it's appropriate for Wise to refuse to follow the instruction if there are good grounds to believe it is being made as a result of a fraud or scam.

Like our Investigator I'm satisfied Wise should have intervened on more of the payments here, But I don't think I need to decide on which particular payments because I don't think any in-app interventions or telephone conversations would've likely persuaded Mrs G she was being scammed here. That's because I've listened to the call Mrs G had with D on 24 May 2023. Mrs G was honest about why she was making the payment (to pay tax to receive some BTC). Santander immediately told her that it was likely a scam and that she wouldn't be getting her \$50,000 and that she had likely lost the money she had sent already. Mrs G's response to that call was to contact the scammer explain what D had told her and to use her account with H to send money to the newly opened Wise account.

I've also considered the interventions H had with Mrs G at the time. I'm satisfied H also told Mrs G it was satisfied she was being scammed when she was attempting to send money from H to crypto exchanges. Those payments were refused. So, Mrs G sent money to Wise instead at the request of the scammer. I note Wise decided to deactivate Mrs G's account on 27 August 2023. Mrs G's response to that was to speak to the scammer again and discuss the best action to take. The scammer then told her to open another account with another bank which Mrs G promptly did on 31 August 2023 (which is when she confirmed she had done so to the scammer). I also note that when H intervened on 26 May 2023, she told H that she was sending money to her BTC wallet and that she had done so before. Mrs G confirmed she had completed her research into the crypto exchange that she had opened the account herself with no other third-party involved (which wasn't true). In a later intervention from H in July 2023 Mrs G told the scammer the payment had triggered a fraud alert and tells H the money she was attempting to send to the crypto exchange was going to her wallet and wasn't being sent to a third-party (untrue). These answers persuade me that Mrs G was unlikely to tell Wise the truth if it had intervened either in the app or on a phone call. So, if Mrs G had more of the payments stopped by Wise, I'm satisfied she would've reached out to the scammer for advice on how to answer the questions and

would've provided similar answers she did to H. And even if Wise had provided warnings about crypto related scams these would've been ignored in the app or on the phone like the warnings from D and H were.

I'm also satisfied that if Wise had closed her account down at an earlier point Mrs G would've followed the guidance from the scammer and set up another account with another Bank – like she did when her Wise account was deactivated at the end of August 2023. So, I don't think Wise treated Mrs G unreasonably when not offering her a refund here.

Recovery

Mrs G made card payments to the crypto exchange from her Wise account. So, she received the service she had paid for on her card when purchasing the crypto. So, it wouldn't have been likely that a chargeback would've been successful here if Wise had raised them as Mrs G received the service she had paid for on her card.

I've considered the points Mrs G has made about her vulnerabilities and personal circumstances around the time she was scammed. But, although Mrs G does have my sympathies for what she was going through at the time, Wise wasn't reasonably aware of these issues. So, I can't now ask it to reconsider the payments based upon information it wasn't aware of at the time.

I appreciate this will come as a disappointment to Mrs G, and I'm sorry to hear that she has been the victim of a cruel scam. As a result, I'm not persuaded that Wise can fairly or reasonably be held liable for her loss in these circumstances.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 19 January 2026.

Mark Dobson
Ombudsman