

## The complaint

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

Mr G is being represented by a third party. To keep things simple, I will refer to Mr G 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 G has told us that he found an advertisement on social media for a trading platform I will call "X" that offered substantial returns on investment. The platform appeared to be endorsed by a well-known celebrity.

Mr G made an enquiry with X and received a phone call from an account manager. X was extremely knowledgeable and persuasive explaining to Mr G that UK banks made money on funds deposited by their customers by using them to trade and invest. X convinced Mr G that his funds would be better invested with it.

Mr G says he carried out his own online research on X and as he didn't find anything to cause him concern he decided to invest. As part of the investment process X persuaded Mr G to open an account with Wise as it said traditional banks would not permit transfers to trading accounts.

Mr G says he was also required to download remote access software so X could help him manage his investment, and he was told to leave his device switched on when he was at work so X could trade on his behalf.

Mr G made multiple payments into the scam and was encouraged by X to take out a loan giving an incorrect reason for the loan purpose (home improvement and furniture purchase) to finance further investment.

Towards the end of the scam Mr G received another call from another representative of X stating that Mr G would need to make an immediate payment of £5,000 to secure his investment.

Concerned he would lose his funds Mr G tried to fund the investment and eventually asked his boss for help. At this stage Mr G's boss explained that it sounded like Mr G had fallen victim to a scam and the scam was uncovered.

Mr G has disputed the following payments made using his Wise account in relation to the scam.

Payment	Date	Payee	Payment Method	Amount
1	12 February 2025	Mr G	International Transfer	£33,959.00

2	19 February 2025	Mr G	International Transfer	£21,000.00
3	21 February 2025	Mr G	International Transfer	£3,000.00
4	21 February 2025	Mr G	International Transfer	£1,000.00
5	28 February 2025	Mr G	International Transfer	£10,000.00
6	28 February 2025	Mr G	International Transfer	£10.00

Our Investigator considered Mr G's complaint and didn't think it should be upheld. Mr G didn't agree, 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.

#### *Recovering the payments Mr G made*

Mr G made payments into the scam via international transfer to accounts overseas. As the payments were made to overseas accounts Wise had limited options available to it to seek recovery, and recovery could only be attempted on a best endeavours basis.

In my experience scammers tend to move funds on as soon as they are received. Considering the time that passed between the payments being made and the scam being reported to Wise I think it's unlikely Wise would have been able to recover the payments that have been disputed.

#### *Should Wise have reasonably prevented the payments Mr G made?*

I think it's most likely that Mr G authorised the payments that were made from his account with Wise, either by making the payments himself, or by allowing access to his account for the payments to be made, albeit on X's instruction. So, the starting point here is that Mr G 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 the payments were being made. And if it had intervened, would it have been able to prevent the scam taking place.

The first payment Mr G made in relation to the scam was for a high value. Considering the value of the payment I think Wise should have had concerns that Mr G could have been at risk of financial harm and it should have intervened.

I think that a proportionate intervention would have been for Wise to have discussed the payment with Mr G with a view of finding out the background leading to the payment and providing a suitable warning. But I don't think an intervention at this time, or any other time during the scam would have made a difference. I will explain why:

Mr G made payments from an account he held with another provider to his account with Wise in relation to the scam. The other account provider intervened on multiple occasions.

Several calls took place and Mr G was required to attend a branch to discuss one of the payments.

During the first call Mr G explained he was trying to move money to his Wise account. Mr G was questioned about the reason he applied for a loan of £23,000 and he explained he was looking to get another vehicle and wanted to send the funds to his Wise account first as it had better fees.

Mr G was warned that there had been an increase in fraud where customer's received calls asking them to download software on their device or asking for certain codes in relation to online banking. Customers had also been asked to move money to an account they have access to.

Mr G said that "*nobody at all*" had contacted him.

Mr G was then sent a link to some fraud and scam information while he was on the phone with his other bank and was encouraged to read through the information. Mr G would then need to attend a branch with some identification documents to discuss the payment in more detail.

The following day Mr G attended a branch to discuss the payment. Mr G's Identification documents were checked, and a call took place while in the branch with the fraud team.

Mr G explained:

- He was making the transfer to his Wise account.
- He was using the Wise account to buy furniture from Turkey, and it was cheaper to make the payments through the Wise account.
- He had not been recommended the Wise account from anyone and had carried out research himself.
- He had used his laptop rather than his usual device (his phone) to make the payment, as he was at home at the time and it was easier.
- He had applied for a loan for the purpose of buying the furniture.
- He had a friend who had purchased furniture in the same way.

Mr G's other account provider explained that there had been an increase in scams, and any unusual activity could trigger its system prompting it to intervene. It warned that one of the main scams it sees its customers falling victim to is releasing to cryptocurrency and asked Mr G if he had ever done that before.

Mr G said he hadn't, and he didn't know anything about it, and he never got into anything he was unsure about.

Mr G was further warned to be aware as the scammers were mainly contacting people through social media and could entice customers by offering good returns or even offering a job that returned commission. They were all scams and Mr G should avoid them.

Before proceeding Mr G was required to give information of the places, he was buying furniture from and he provided a website of a Turkish retailer confirming he had friends that had used the same website.

I think Wise should have intervened when Mr G made the payments, but having considered the calls that took place with Mr G's other account provider, and the visit Mr G had with the branch it is clear that Mr G was willing to give incorrect information, and a completely different story in order to have the payments processed.

Mr G gave two different stories, one being he was buying a new car and the other that he was purchasing furniture. Mr G even went as far as providing a retailer's website as an

example of where he would be buying the furniture from.

Even though Mr G gave incorrect backgrounds for the reasons he was making the payments he also received warnings about finding investments through social media and downloading remote access software, which both applied to him and yet he continued with the payments.

Mr G has said that Wise would have had the account information of the payee's account and would have known it was a Singapore account had it intervened.

Given the two stories Mr G provided to his other account provider I can't be sure what story he would have told Wise had it intervened. But I think it is most likely he would not have provided truthful answers.

Overall, I think it's clear that Mr G trusted X to the extent that he was willing to provide false information to have loans approved and to make large payments despite warnings being provided to him that should have been red flags causing him to have concerns about the payments he was making.

I don't have enough to say that further interventions or warnings carried out by Wise would likely have deterred Mr G from making the payments or prevented his loss. So, Wise is not responsible for Mr G's loss, and it would not be reasonable for me to say it should provide a refund to him.

### **My final decision**

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 21 January 2026.

Terry Woodham  
**Ombudsman**