

The complaint

Mr P complains about the actions of Wise Payments Limited when he lost money to a scam.

Mr P is being represented by a legal firm but for ease of reading I'll only refer to Mr P in the decision.

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.

In early 2024 Mr P was contacted via a messaging service about an investment opportunity via a third-party merchant (scammer). He was provided with a login to the scammer's platform and was given instructions on how to move his money to the platform via genuine crypto exchanges. In total Mr P made the following payments from his Wise account;

	Date	Type of transaction	Amount
1	8 February 2024	Payment to crypto exchange	£1
2	8 February 2024	Payment to crypto exchange	£500
3	12 February 2024	Payment to crypto exchange	£1,508
4	12 February 2024	Payment to crypto exchange	£5,328
	20 February 2024	Payment to crypto exchange	€20,000
5	20 February 2024	Payment to crypto exchange	€20,000
6	2 March 2024	Payment to crypto exchange	€100,000
7	6 March 2024	Payment to crypto exchange	€44,500
8	22 April 2024	Payment to crypto exchange	€3,500
9	29 April 2024	Payment to crypto exchange	€16,700
10	30 April 2024	Payment to crypto exchange	€3,000
11	26 May 2024	Payment to crypto exchange	€26,580
12	27 May 2024	Payment to crypto exchange	€1,850
13	4 June 2024	Payment to crypto exchange	€3,700
		Total loss in GBP	£7,337
		Total loss in EURO	€219,830

Mr P realised he had been scammed when he lost contact with the scammer after being told one of his payments to pay for a withdrawal of his profits had been hijacked. So, he made a claim to Wise. Wise reviewed the claim but said it wouldn't be offering Mr P a refund.

Mr P brought his complaint to this service. Our Investigator didn't think the complaint should be upheld. She said Wise should've intervened in more of the payments than it had done, but she wasn't satisfied Mr P would've listened to any warnings from Wise.

Mr P disagreed and asked for an Ombudsman's review. In summary, he said that Wise should've done more to stop the payments and provide warnings to him about crypto investment scams. If it had done so, he said the scam would've more than likely been uncovered and his loss prevented.

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've reached the same conclusion as our Investigator and for largely the same reasons. I'll explain why.

But first, I would like to say that if there's a submission I've not addressed, it isn't because I've ignored the point. It's simply because my findings focus on what I consider to be the central issues in this complaint – that being whether Wise was responsible for Mr P's loss.

It is common ground that Mr P authorised the scam payments. I accept that these were authorised payments even though Mr P was the victim of a scam. So, although it wasn't his intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of his account, Mr P is presumed liable for the loss 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 Mr P 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've been concerned about the payments Mr P was making to the scam. They were extremely high value to a high risk and new beneficiary. So, I'm satisfied that Wise should've asked some probing questions to understand why he was making them, but I'm not persuaded that this would've likely made a difference to the outcome.

For me to find it fair and reasonable that Wise should refund the payments to Mr P would require more than a finding that it should've done more to intervene when he made his payments. Crucially, I'd also need to find that but for that failure, the subsequent loss would've been avoided.

That latter element concerns causation. A proportionate intervention will not always result in the prevention of a payment. And if I find it more likely than not that proportionate intervention by Wise wouldn't have revealed any of Mr P's payments were part of a fraud or scam, then I couldn't fairly hold it liable for not having prevented them from being made.

I'm persuaded – on balance – that Mr P was satisfied with his research into the scam merchant and had some experience of investing. I can see in the scam chats that he even presented an idea of investing with the scammer in property to see if they would be willing to invest with him. I don't think he would've made such a comment if he didn't trust the scammer or was sceptical about the crypto 'investment' opportunity. This comment was also only eight days after the €20,000 payment and was made before the larger €100,000

payment. So, I think Wise providing some warnings about crypto related scams wouldn't have likely resonated with Mr P at the time he was making the payments here.

When Mr P made the much larger €100,000 payment, I think this was a clear escalation in the size of his payments and arguably warranted further intervention perhaps during a phone call from Wise. But just because I think Wise should've provided further intervention during the scam doesn't automatically mean the complaint should be upheld. I must consider whether Mr P was willing to listen to warnings from Wise about this investment opportunity and whether he would've been willing to not make the payment.

Within the scam chats Mr P on more than one occasion was very clear that he was opposed to interventions from firms he held his money with. On one occasion he said the following;

"This was a completely normal bank transfer... Who shall decide what I am allowed to do with my money as long as I am not financing terrorism...I am a free person who wants to make my own decisions, not being told what I can or can't do."

And he also made the following comment when he was encountering issues sending his money to the scam with the scammer remarking that the UK was unfriendly to crypto purchases;

"And trust me, it is soon going to be worse...Soon the world bank is introduced and all cash is gone and then you can't do anything with your money without asking for permission..."

...I don't accept being a normal citizen, I am a free person who wants to make my own decisions, not being told what I can or can't! I don't accept that!...

"I have lived in a world when I could give my bankman a call in the morning asking him to give me a loan in an hour without signing a paper! And I got it!!! That was a time never coming back...and I could walk into the bank with 100k in cash to deposit into my account without anyone asking; 'where have you got this money from' I am fed up with this, sorry to say".

Mr P then advised the scammer;

"for the future, get crypto, gold and properties...do NOT keep Fiat currency more than for day to day...Trust me, you will lose them and that is very soon!"

Mr P has said the above messages don't prove that he would be unwilling to listen to a warning from Wise either in its app or on the phone. He said the messages show that he was initially sceptical of the opportunity presented to him by the scammer and that he would've listened to Wise. He added that the Financial Conduct Authority's (FCA) Consumer Duty meant that Wise should look to avoid causing him foreseeable harm. However, I don't agree.

On balance, I think the messages show a reluctance to listen to interventions from regulated firms. They show that overall, Mr P had built up a level of trust with the scammer and in his decision to invest that I don't think a clear warning from Wise would've been able to change that. Mr P's remarks show that he had made his mind up to invest and that once that decision had been made, he was willing to stick to it. And instead of seeing interventions by Wise or others as assistance, he viewed them more of a hindrance. So, even with the Consumer Duty in mind, I still need to be satisfied that a warning from Wise would've made a difference here.

There's also evidence that when Mr P encountered issues with other providers in moving his money to the scam his reaction wasn't one of concern or caution. Instead, he just found another way to send the money to the scammer such as when crypto related payments were blocked and when he was refused service, he found another provider. This persuades me that Mr P – on balance – was unlikely to heed any warnings about crypto investments at the time of the payments and that even if Wise had refused to make a payment on his behalf, he would've likely considered this to have been a hindrance with which he needed to find another avenue to continue investing.

There's also the fact that even if Mr P had been referred to the FCA's website there were no regulatory warnings about the merchant he was dealing with for him to consider and to have taken notice of at the time of those larger payments.

I note Mr P has raised his age as a vulnerability but for the reasons I've already outlined, I don't think Wise's failure to stop the payments mean that the scam automatically would've been uncovered. Nor do I agree that just because of Mr P's age that he has suffered some degree of age-associated cognitive decline which would've made him susceptible to a scam or social engineering. The scam messages don't support that position, with Mr P being clear that he had made other investments before and was actively looking to make other large investments outside of crypto.

I've considered whether Wise acted reasonably when it was made aware of the scam. Having done so, I'm satisfied Wise wouldn't have been able to recover any of Mr P's funds here because he confirmed it was all sent to the fake trading platform from the crypto exchanges. And if any funds had remained in the crypto exchanges, they would've been available for Mr P to access.

I appreciate this will come as a disappointment to Mr P, and I'm sorry to hear that he has been the victim of a cruel scam. But I'm not persuaded that Wise can fairly or reasonably be held liable for his loss in these circumstances.

My final decision

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 P to accept or reject my decision before 7 April 2026.

Mark Dobson
Ombudsman