

## The complaint

Mr H complains that Wise Payments Limited (Wise) won't refund money he lost when he fell victim to an investment scam.

Mr H is being represented in this complaint by a family member.

## What happened

Mr H says he was contacted via a social media platform by a supposed 'investment' company, who I'll call B. He was offered the opportunity to invest in what he thought were stocks – unfortunately Mr H had been contacted by a scammer.

Mr H signed up with B and communicated with the scammers via a well-known messaging platform. He was told to download remote access software, so that the scammers could help him with the investment. He was given access to a platform so he could track this investment.

Under instruction from the scammers Mr H made three payments in Euros to a single individual. Mr H was tricked into believing his investment had grown significantly but became suspicious when he couldn't withdraw funds despite several attempts. After confiding in a family member, Mr H realised he'd been scammed and contacted Wise to report it and later complained it had not refunded him.

The payments in dispute are below:

Payment	Date	Amount
1	12 December 2024	£6,812 (€8,238.35)
2	13 December 2024	£2,500 (€3,003.47)
3	16 December 2024	£3,000 (€3,608.31)

Wise didn't uphold Mr H's complaint. It didn't think the activity was suspicious enough to warrant an intervention. It said the account hadn't been open long and there was little activity to compare the disputed payments to - so it couldn't do anything more to protect his account. When Mr H tried to report the scam initially, it said he sent the email to an inbox that was not monitored. Even so, the payments had already been moved out of the receiving account by that point, so it couldn't recover the money he'd sent. It pointed him to the accounts where the funds originated and said those firms could be liable, as they would've had a better idea of his typical account usage.

Unhappy with the response, Mr H referred the complaint to the Financial Ombudsman Service.

Our Investigator concluded that while Mr H authorised the payments, Wise ought to have recognised Payment 1 carried a higher risk due to its size, in comparison to the previous account history. Had Wise intervened and asked questions around the payment, they felt the scam would've been uncovered and Mr H would not have continued. They said that Mr H's

lack of due diligence, the payments to an individual, the unrealistic high returns shown and the general lack of persuasive paperwork, ought to have concerned him.

They acknowledged his circumstances around his health and preferred language. However, they didn't think these factors meant Mr H was especially susceptible to the scam he fell victim to or, prevented him from being able to protect himself from it. So, they recommended that Wise refunded 50% of Mr H's losses.

Mr H and Wise disagreed.

Wise said that it wasn't a bank, and that a customer crediting the account and making an international payment is common and was how its accounts were usually operated. It said the Investigator hadn't considered the manual intervention it did on a payment (unconnected to the scam) several months earlier. Mr H had credited the account, converted the money to Euros, and was sending it internationally. It argued therefore, that the limited account evidence it did have, showed Mr H had a history of converting and transferring thousands of pounds and so the disputed payments were not out of character.

Mr H argued his circumstances should've been given more weight when considering whether he was vulnerable. Mr H's representative also referred to laws, codes and regulations which he said Wise had not adhered to, when processing the payments without any intervention.

While he acknowledged he did no due diligence he didn't think he should share liability, as Wise's failure to protect him from the obvious warning signs that he was falling victim to a scam, warranted a full refund. Had Wise intervened or provided a simple warning, Mr H argued that the subsequent payments would never have happened and referenced other Ombudsman decisions where a full refund had been awarded to the complainant.

So, the case was passed to me to determine.

I sent Mr H and Wise a provisional decision on 9 December 2025, setting out why I didn't intend to uphold the complaint. In my provisional decision I said the following:

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*I realise this will be disappointing for Mr H, but I'm not recommending his complaint against Wise is upheld. I've explained why below.*

- *It's not in dispute here that Mr H authorised the payments in question. So, while I recognise that he didn't intend the money to go to scammers, the starting position in law is that Wise was obliged to follow Mr H's instruction and process the payments. So, he, rather than Wise, is liable for the payments. However, that isn't the end of it.*
- *In considering this complaint I've also taken into account regulatory rules and guidance, relevant codes of practice and good industry practice. Mr H's representative noted the Contingent Reimbursement Model (CRM) Code and the Faster Payment Scheme (FPS) Reimbursement Rules. However, the CRM Code had already ended at the point Mr H had made these payments and while the FPS Reimbursement Rules replaced it, it doesn't cover payments in Euros. So, neither of these apply here.*
- *Having considered everything that would apply in this case though, I'm satisfied that Wise ought to have been monitoring accounts to counter various risks including preventing fraud and scams. I've thought about whether Wise ought to have had a*

closer look at the circumstances surrounding Mr H's payments. For example, if they were particularly out of character.

- I acknowledge Mr H has referred to other decisions made, but I have to consider the facts and arguments made in each case in isolation. Having done so, I'm not persuaded the payments in dispute here stood out or were sufficiently out of character such that they warranted an intervention from Wise.
- Wise is an Electronic Money Institution (EMI), and its electronic money accounts can often be used differently to a traditional current account at a bank. Accounts may be opened just for the purpose of undertaking certain payments, due to some of the benefits that a particular EMI might offer. For instance, consumers may use EMIs to make large value transfers in another currency, due to the preferential exchange rates particular EMIs may offer.
- It was clear this was not Mr H's usual account - and there was very limited historic account activity for Wise to compare the payments against. Wise pointed out, Mr H's only previous payment on the account was also in Euros and, like the disputed payments, incurred a fee. As I've said in the previous point too, electronic money accounts can often be used in this way - it isn't uncommon to see funds deposited, only to be exchanged and then transferred out straight away to new payees. With all that in mind, I don't think Payment 1 would've appeared particularly concerning and, given the relatively short period of time the account had been running, I'm not persuaded the creation of a new payee was unusual either. Naturally there is going to be a higher likelihood of new recipients set-up in the infancy of an account.
- I appreciate that overall, Mr H has lost a significant amount of money here. This loss was spread over three payments made over five days, so not in quick succession. In my judgement, this would not have appeared particularly unusual or out of character to Wise, particularly given the limited spending history that it had to compare to. The later payments were lower in value and again broadly in line with the previous activity, and there was nothing obviously concerning or risky about the type of account it was going to. So, I don't think Wise needed to do anything when processing the payment instructions in this case.
- I've thought about whether the Wise could've done more when recovering Mr H's payments after the scam came to light. It has shown that a payment on 17 December 2024 was stopped, and that Wise asked Mr H questions about it and the money that was crediting his account.
- Mr H didn't respond, so the payment was cancelled, and Wise sent an email notifying him of this. In response, Mr H told Wise that someone had tried to scam him and listed three payments. Unfortunately, Mr H responded to an unmonitored inbox, which sent an automated reply explaining this. It didn't then get a report from Mr H until January 2025.
- Wise has shown that Mr H's funds no longer remained in the beneficiary account by the time it was notified of what had happened. As such, there was nothing left to be recovered. So, I don't think Wise has missed any opportunity to recover the funds that Mr H sent.

I'm sorry to hear that Mr H has been the victim of this cruel scam. I acknowledge all the points made, including those made after the investigator's view, about Mr H's circumstances and vulnerability to the scam at the time he fell victim to it. However, I can only tell Wise to put something right, if I think it has made an error. As I've said I don't think Wise needed to intervene on the payments, so it wouldn't have known Mr H may have been falling victim to a scam, or his circumstances at the time.

For the reasons given above, I don't think it did anything wrong in processing the payment instructions that Mr H gave in the circumstances of this complaint. So, I do not consider it would be fair and reasonable to hold Wise responsible for Mr H's loss.

I said I'd consider anything further Mr H and Wise submitted following the provisional decision.

### **Responses to my provisional decision**

Wise acknowledged the provisional decision and confirmed it had nothing further to add.

Mr H's representative responded and confirmed that he did not accept it. He said they would respond with further detailed submissions, before the deadline. When no further responses were received the deadline was extended, and Mr H's representative notified. It was explained that the Ombudsman would issue their final decision if no response was received.

### **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 realise that this will come as a disappointment to Mr H. But as no further submissions have been received, I've found no reason to depart from my provisional findings.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 20 February 2026.

John Ryan  
**Ombudsman**