

## **The complaint**

Mrs C complains that Wise Payments Limited did not reimburse the £2,531.50 she lost to a scam.

## **What happened**

Mrs C met an individual online, who she developed a relationship with, unfortunately they were a scammer. The scammer asked Mrs C to accept a briefcase held in Germany with valuable belongings in. The shipping company dealing with the briefcase asked her to pay a significant amount in fees and taxes. As part of this, she sent a card payment of £2,351.50 to an individual via her Wise account.

When she realised this was a scam, she contacted Wise to raise a scam claim. They did not think they were liable to reimburse Mrs C, and they explained they were too late to recover any of her funds from the recipient account.

Mrs C referred the complaint to our service and our Investigator looked into it. They found that Wise had intervened in the payment and asked Mrs C some automated questions about it. Looking at this, the Investigator felt Wise should reasonably have had concerns about the payment, but they did not think any further questioning would have revealed the scam and prevented Mrs C from making the payment. But they did think Wise could have recovered £150.30 that was still in the beneficiary bank account when they were alerted about the scam. So, they recommended that Wise pay this to Mrs C.

Wise agreed to reimburse Mrs C with the £150.30. Mrs C disagreed with the findings and felt she should receive full reimbursement, not just the £150.30. She did not provide any additional comments for us to consider.

## **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 agree with the Investigator for largely the same reasons. I don't think Wise needs to reimburse the full loss, but I do agree it should pay Mrs C the £150.30 that was remaining in the beneficiary account when they were made aware of the scam. I'll explain my reasoning in more detail.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

Broadly speaking, the starting position in law is that an account provider is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the account. And a customer will then be responsible for the transactions that they have authorised.

It's not in dispute here that Mrs C authorised the payments in question as she believed she was helping out someone she was in a relationship with. So, while I recognise that she didn't intend the money to go to scammers, the starting position in law is that Wise was obliged to

follow Mrs C's instruction and process the payments. Because of this, she is not automatically entitled to a refund.

The regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams. So, I've also thought about whether Wise did enough to try to keep Mrs C's account safe.

The payment itself is not particularly high value, especially considering the type of account Mrs C held with Wise and that these are more often used to transfer one-off higher value payments. Despite this, Wise did carry out some automated checks on the payment. This included asking Mrs C some questions about the purpose of the payment.

Mrs C selected that she was sending money to friends and family. She was then asked if she had met the individual she was paying in person, which she selected 'yes' to. However, from what Mrs C has told us, she did not meet the scammer in person at any point. Wise then asked her whether the person had contacted her unexpectedly to ask for money. Mrs C again answered 'Yes' and I think this should reasonably have been a warning to Wise that Mrs C could have been at risk of financial harm.

Overall, I do still think the risk level of the payment was low. It was low value and Mrs C had indicated she was paying an individual she had met in person. But being asked for funds unexpectedly can be an indication of a scam, so I think it would have been reasonable for Wise to intervene in the payment further and ask Mrs C more in depth questions.

I now need to consider if a more detailed intervention could have uncovered the scam. And unfortunately, I don't think that it could have done at that stage. Firstly, I have to consider that, when asked about the payment, Mrs C said she had met the individual she was paying in person. It is unclear why she selected this, because as we know she did not meet the individual. But I have to consider that it is possible she selected this answer knowing it was incorrect but hoping it would ensure the payment was processed.

I also have to consider that Wise also intervened in an earlier scam payment, which was not part of the same specific scam, but Mrs C's representatives have said they feel was carried out by the same scammer. When Wise intervened in the payment of £10,000, Mrs C was asked what the purpose of the payment was. She explained the payee was her cousin, and that the funds were for renovations on his house. This was not the true purpose of the payment, but Mrs C chose to mislead Wise to ensure the payment was processed.

Considering this interaction, and the fact Mrs C also incorrectly stated that she had met the individual she was sending the £2,531.50 to, I think it is more likely she would have continued to mislead Wise to ensure the payment was processed. Because of this, I think it is unlikely Wise could have meaningfully revealed the scam at that time and prevented the payment from being made.

I understand that this will be very disappointing for Mrs C, and I recognise that she has been the victim of a cruel and manipulative scam. But I do not consider that it would be fair to hold Wise responsible for her loss, so I won't be asking it to refund any of that loss to her.

I do agree that Wise could reasonably have recovered the £150.30 that was remaining in the beneficiary account when Mrs C reported the scam to me. And I can see they have now agreed to reimburse Mrs C with this.

### **My final decision**

I do not think Wise Payments Limited needs to reimburse the full loss to Mrs C. But it should now reimburse her with the £150.30 that was remaining in the beneficiary account if it has not done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 16 April 2026.

Rebecca Norris

**Ombudsman**