

The complaint

Mr S is unhappy that Wise Payments Limited won't provide him with a refund of the money he lost to a job scam.

What happened

The detailed background to this complaint is well known to both parties and has been previously set out by the investigator in their assessment. So, I won't repeat it again here. Instead, I'll summarise the key points and focus on giving reasons for my decision.

Mr S was contacted about an alleged job opportunity which involved working from home analysing data. Mr S said he was taken through training and that he carried out some checks about the company before proceeding any further. Mr S was required to open a cryptocurrency account which he'd need to use to fund unlocking tasks related to the job. Mr S made two payments from his account with Wise on 27 January 2025 totalling £25,370 to his cryptocurrency account which were lost to the scam. Mr S says that it was only when he was unable to pay any further funds and also unable to withdraw any funds that he realised he'd been scammed.

Through his professional representative, Mr S complained to Wise. It agreed that it ought to have been alerted to potentially suspicious activity by the second payment and offered a partial refund of 33% in relation to the second payment of £16,870 plus interest. As Mr S didn't agree with their settlement, he brought his complaint to this service.

Our investigator partially upheld Mr S's complaint. She wasn't satisfied Wise had any liability for the first payment, but she was satisfied that it ought to have done more when the second payment was made. She was persuaded that had it intervened appropriately, Mr S's loss at that stage would've been prevented. She also considered that Mr S ought to share equal liability for the loss and in this case recommended that Wise provide a 50% refund of the second payment.

Wise questioned why they ought to be liable for 50% when there was another bank involved in his transfer of funds. And they asked whether Mr S had raised a complaint with the other bank. After it was confirmed that no other complaint had been raised, Wise accepted our investigators findings. However, Mr S disagreed. He believes that Wise ought to have taken action from the first payment as the investigator had suggested it ought to have for the second.

As an agreement couldn't be reached, the case has been passed to me to decide.

I issued my provisional decision on 10 March 2026. In this I said:

What I've provisionally 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.

It isn't in dispute that Mr S authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Wise is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I acknowledge Wise did make additional checks in regards to the two disputed transactions. It's confirmed that it asked Mr S for the transfer reason and each time he selected "something else" and was provided with a relevant scam warning. But I'm not persuaded Wise did enough with either transaction here. Wise also accept that there was more it could have done to prevent Mr S's losses from the second payment.

This was a newly opened account, receiving significant sums in before being immediately transferred out – which is something Wise ought to be alert to when it comes to potentially fraudulent related activity. Furthermore, given the destination of the payment – that being the specific sort code the payment was being made to linked to a well-known cryptocurrency exchange, I'm satisfied Wise ought to have identified the payment as being made to an identifiably crypto related account and therefore carried a higher risk.

By the time this payment was made in January 2025, Wise ought to have recognised that payments to cryptocurrency carried a higher risk of being associated with fraud. And responded appropriately with an intervention.

Since 31 July 2023, when the FCA's new Consumer Duty came into force, there has been an obligation on firms to avoid foreseeable harm to customers. The Consumer Duty Finalised Guidance FG 22/5 (Paragraph 5.23) gives an example of foreseeable harm:

"consumers becoming victims to scams relating to their financial products for example, due to a firm's inadequate systems to detect/prevent scams or inadequate processes to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers"

This means a proportionate warning should have asked a series of questions related to cryptocurrency in order to try and establish the precise scam risk. And by January 2025 given the prevalence of job/task scams we'd expect a firm to have both questions and warnings tailored towards the key risks of those scams.

Wise has said Mr S was asked to provide a payment purpose from a range of available options. And in so doing he selected 'something else' where he was presented with some general warnings. Whilst I acknowledge there was a more appropriate option for Mr S to choose (which I will address further below), Wise's intervention needed to ask a series of questions related to cryptocurrency in order to try and establish the precise scam risk. And then it ought to have provided the relevant warning. I would have expected a proportionate warning in this case to cover – for example:

- lucrative pay in exchange for little work, such as completing tasks via an online platform*
- the involvement of and requirement to set up a cryptocurrency account*
- unsolicited contact about the alleged job opportunity*
- being asked to pay an upfront payment*

This scam had most of these characteristics. Had a relevant warning been tailored to the key features of a cryptocurrency job scam – such as that which Mr S faced, I think its most likely the warning would have resonated with Mr S and that he would most likely not have progressed with the first nor second payments.

Overall, I'm satisfied Wise should have done more than it did. And if they had intervened during the first disputed transaction as I've explained above, I'm satisfied Mr S's losses to the scam would have been prevented. Therefore, I consider it fair to hold Wise liable for the losses incurred to the scam from the first disputed transaction of £8,500 and onwards.

But I've also considered whether Mr S should share any liability for the preventable loss under the principle of contributory negligence. Having done so, I do think Mr S should bear some responsibility for his losses. I haven't seen any comments made by Mr S in response to our investigator's view on this point, so I don't seek to address this in great detail. I'm in agreement with our investigator and largely for the same reasons. I'm not satisfied Mr S ought to have considered this a legitimate job opportunity. Firstly, there is no suggestion that Mr S was expecting any contact about any job opportunity before receiving the text message he did. He's provided no evidence of any documentation he would have received about the job, which I'd reasonably expect. And I'm particularly concerned that he was asked to part with such significant sums and that the alleged salary on offer was too good to be true. And I can't ignore that Mr S had an opportunity to select a more appropriate payment reason when he was originally asked about the purpose of his payments – that being 'paying to earn money by working online'.

Because of this, I've concluded that on balance it would be fair and reasonable to make a 50% reduction in the award based on contributory negligence in the circumstances of this complaint.

I've also thought about whether Wise could have done more to attempt to recover the payments after Mr S reported the fraud. I've considered that Mr S didn't report matters to Wise until more than six months later. That said, Wise confirmed that it did contact the recipient account where it was confirmed that no funds could be recovered. Ultimately, Mr S bought genuine cryptocurrency with the funds which he sent on as part of this scam. So he did receive what he paid for, even if he then lost it due to the scam.

My provisional decision

My provisional decision is that I'm minded to partially uphold this complaint and require Wise Payments Limited to:

- *refund Mr S's loss to the scam from the first disputed transaction and including the subsequent payment made to the scam totalling £25,370; and*
- *reduce that amount by 50% for Mr S's contributory negligence; and*
- *add 8% per annum simple interest to that amount from the date of the payments to the date of settlement.*

If Wise considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr S how much it has taken off. It should also give Mr S a tax deduction certificate if he asks for one.

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 invited further comments from both parties.

Mr S confirmed he accepted the provisional decision.

Wise disagreed and provided additional comments. I've briefly summarised those here:

- It maintained that its intervention during the first transaction was proportionate and appropriate based on the facts available at the time;
- The activity was consistent with Mr S's stated expected annual volume of £50,000;
- Wise's ability to provide a more targeted intervention was actively circumvented by Mr S's misleading statements;
- Despite receiving clear scam warnings on both occasions, Mr S chose to proceed with the payments;
- The payments were being sent to another regulated UK institution, but even if they had flagged as cryptocurrency related, such transactions are not inherently illegal;
- It continues to accept 50% liability for the second payment.

I appreciate the time Wise has taken to highlight the points it has however, though they don't alter the outcome I'd reached and as set out within my provisional decision which I'm satisfied addresses these.

I'm not persuaded Wise did enough with either transaction here. I acknowledge Wise's comments that such cryptocurrency related transactions are not inherently illegal. However, by the time of these disputed transactions, Wise ought to have recognised that such payments carried a higher risk of being associated with fraud. Given the destination of the payments, Wise ought to have identified the payments as being made to an identifiably crypto related account and therefore carried a higher risk. As such, instead of providing Mr S with a broad range of payment purposes to respond to, as I've already referenced in my provisional decision, a proportionate warning should have asked a series of questions related specifically to cryptocurrency in order to try and establish the precise scam risk. It remains that had Wise intervened during the first disputed transactions as I've explained, I'm satisfied Mr S's losses to the scam would have been prevented.

I've also already explained in my provisional decision that there was a more appropriate option for Mr S to choose and why he ought to share liability for the preventable loss under the principle of contributory negligence.

In conclusion, I'm satisfied Wise should have done more than it did. And if they had intervened during the first disputed transaction as I've explained, I'm satisfied Mr S's losses to the scam would have been prevented. Therefore, I consider it fair to hold Wise liable for the losses incurred to the scam from the first disputed transaction of £8,500 and onwards. I've also concluded that on balance it would be fair and reasonable to make a 50% reduction in the award based on contributory negligence in the circumstances of this complaint.

My final decision

My final decision is that I partially uphold this complaint and require Wise Payments Limited to:

- refund Mr S's loss to the scam from the first disputed transaction and including the subsequent payment made to the scam totalling £25,370; and
- reduce that amount by 50% for Mr S's contributory negligence; and
- add 8% per annum simple interest to that amount from the date of the payments to the date of settlement.

If Wise considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr S how much it has taken off. It should also give Mr S a tax deduction certificate if he asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 April 2026.

Mark O'Connor
Ombudsman