

## complaint

Mr A complains that MoneyGram International Limited failed to give him sufficient warning of the risks associated with a payment he was making, and allowed the recipient to collect the money on the basis of fake proof of identity.

## background

Mr A responded to an internet advertisement for tickets for a sporting event in Hong Kong. He sent £403.50 for the tickets to an individual in Russia, using MoneyGram. Mr A says this was the first time he had used MoneyGram to send money, and he assumed that it had similar safeguards in place to those available for some types of electronic money accounts.

Mr A says that the staff members who dealt with his transfer were also unfamiliar with Moneygram, and he was given no oral warnings about the dangers of fraud. Whilst he agrees that he signed paperwork that gave a clear warning about potential fraud, he says that his attention was not drawn to this by the staff.

After Mr A had sent the money, he became aware that the ticket offer was bogus and that the individual to whom he had sent the money was a fraudster.

An adjudicator investigated the complaint. She was satisfied that the forms Mr A had signed to make the transfer warned specifically against sending money to a stranger to purchase an item. She did not consider, in the circumstances, that MoneyGram also had a duty to warn Mr A orally before he made the payment. The adjudicator explained that we do not have jurisdiction to consider the actions of the recipient office in Russia which had dealt with the withdrawal. Overall, the adjudicator did not consider that Mr A's complaint should succeed.

Mr A did not agree. He said, in summary:

- He is unhappy that his version of events has been questioned, and that no statements have been obtained from the members of staff who dealt with him.
- He was later told by MoneyGram that, regardless of the written warnings, he should also have been given an oral warning before he made the transfer. If Moneygram is telling agents to give an oral warning, but they are not doing so, then that cannot be right.

## my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. It does not seem to me that Mr A's account of sending the MoneyGram payment is in dispute. So I do not consider that obtaining statements from the members of staff who dealt with Mr A would add anything material to the investigation.

What is in dispute is whether, as Mr A says, the staff who dealt with the transfer should have drawn his attention to the fraud warnings on the form he signed or whether, as MoneyGram says, the written warnings were sufficient and it did not have a duty to do more.

The form which Mr A signed begins with this text, which is prominently placed and is in large, bold print:

**FRAUD WARNINGS! STOP! PLEASE READ THE QUESTIONS BELOW CAREFULLY TO HELP US PROTECT YOU FROM BECOMING A VICTIM OF FRAUD OR A SCAM.**

The consumer is then asked whether they are sending money for any of a number of example scenarios, including sending money to a stranger to buy goods from the internet. The section ends with the following warning – again, in bold print:

***IF you answered YES to any of these questions, DO NOT SEND the money transfer – someone may be trying to STEAL YOUR MONEY. Remember neither MoneyGram nor its agents will be liable if you ignore the fraud warnings above and still choose to send money for any of the reasons listed above.***

There is no suggestion that Mr A expressed any disquiet or suspicion about the authenticity of the transaction when dealing with the MoneyGram agents. Had he done so, then MoneyGram's process would have required them to make further enquiries before going ahead with the transfer. But I am not persuaded in this case that MoneyGram had a general duty to question this transfer, or to draw Mr A's attention orally to the clear and prominent written fraud warnings on the form he signed.

The main feature of MoneyGram (and other similar transfer services) is that the money reaches the recipient quickly and can be drawn by them in cash on production of identification, without there needing to be any existing account or prior registration. I cannot see that Mr A was misled about that when he made the transfer. As the adjudicator has explained, I have no standing to consider a complaint about the recipient office abroad.

#### **my final decision**

I have sympathy for Mr A, who has been the victim of fraud. But, given my findings, I cannot fairly conclude that MoneyGram is responsible for Mr A's loss, and so my final decision is that I do not uphold this complaint.

Jane Hingston  
**ombudsman**