

## The complaint

Mr B has complained that Wise Payments Limited (“Wise”) didn’t protect him from falling victim to an employment-related impersonation scam.

## What happened

I issued my provisional findings on this complaint earlier this month, in which I explained I was minded to uphold the complaint. I gave both parties the chance to respond to my provisional findings before issuing my final decision.

Both parties responded with further comments which I’ve considered in the next section.

I’ve included an extract of my provisional decision below.

### What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Mr B explains that in August 2023 he’d signed up to a recruitment agency as he was looking for a job, and amongst several emails he was contacted by an individual (“the scammer”) on a popular messaging application offering him a commission-based employment opportunity that he could carry out remotely when he chose. Mr B expressed an interest in the role and says the scammer explained that the job involved depositing money into a “work platform” in order to simulate paying for hotel stays, and then completing reviews on those hotels to boost their listings in search results. Mr B was told once he’d completed the reviews he’d be refunded his initial deposit, as well as being paid 8-10% commission.

Mr B was told to open a Wise account in order to receive his earnings, which he did. He explains he was told he’d need to complete a set number of tasks per day, and he was given access to the work platform to do the tasks. He’s also explained how he was periodically given access to “VVIP” or “golden egg” tasks which required a higher outlay from him to complete, but would allegedly return an elevated rate of commission. He was given access to a platform to complete the reviews, where he was able to track how much commission he’d earned and the balance of his work account.

Mr B says he was initially offered a “free trial” whereby £200 credit was put into his work account so he could carry out some review tasks, and following this, he was able to withdraw a small amount of commission to his Wise account.

Mr B withdrew £622 in relation to the work he’d completed. But he says that when his account in the work platform fell into a negative balance, which it occasionally did, he needed to send a payment to clear this before he could continue working, and these payments far outweighed what he ever received in return.

The payments Mr B made related to this scam were as follows:

Date	Amount (£)
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17/08/2023	50
18/08/2023	50
18/08/2023	50
19/08/2023	100
19/08/2023	160
19/08/2023	90
03/09/2023	300
03/09/2023	200
03/09/2023	640
03/09/2023	1,750
04/09/2023	3,840
04/09/2023	2,630
<b>Total</b>	<b>9,860</b>

Mr B has highlighted how as time went on, the amounts he was required to deposit in order to continue working increased. He says that he took several loans to cover the increasing demands but he realised he'd been scammed when the amount he was asked to pay by the scammer reached an unattainable level. He says at that point he was asked to deposit £15,500 but he refused and reported the scam to Wise.

In his complaint to Wise Mr B said it had failed to protect him from falling victim to this scam by not intervening or warning him about the risks posed by scams such as this one. He also said Wise didn't do enough when it knew about the scam to recover the funds or report the scammers to the police. Wise didn't uphold Mr B's complaint, so he referred it to this service.

Our investigator considered everything and didn't think the complaint should be upheld. He explained he didn't think Wise ought to have had reason to think that Mr B was at risk of financial harm. He also said Wise didn't have any account history for Mr B, so it wouldn't have known whether these payments were out-of-character for him.

As Mr B didn't accept the investigator's opinion, the case has been passed to me to make a decision.

### **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.

Having done so I'm currently minded to uphold Mr B's complaint. I contacted Wise earlier this month to explain my reasons for this but as it hasn't responded, I'm issuing a provisional decision.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Mr B authorised these payments from leaving his account. It's accepted by all parties that Mr B gave the instructions to Wise and Wise made the payments in line with those instructions, and in line with the terms and conditions of Mr B's account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

The reasons I'm minded to uphold the complaint are as follows:

- From the third payment Wise asked Mr B for the reasons he was making the payments and Mr B told Wise that he was “Paying to earn money by working online”. Wise is aware that this is almost always related with a scam yet it didn’t intervene any further than showing an on-screen warning.
- Wise didn’t even show a warning for the penultimate (and largest) payment. Bearing in mind it was evident Mr B was falling victim to a job scam, and this payment was made on the same day as another of the largest payments, Wise failed to protect Mr B from the financial harm he suffered.
- Wise provided example scam warning with its business file but this relates to an investment as opposed to a job scam. So although I’m unlikely to find it did enough even if Wise provides an example of a job scam warning, Wise may wish to consider providing this.
- I should note that Wise didn’t ask for the purpose of the first two payments, so at that point it wasn’t aware Mr B was making the payments to work online. As the payments were for low values I don’t think Wise needed to ask for their purpose, or give Mr B a warning, so Wise doesn’t need to include these in what it refunds Mr B.

#### Is Mr B responsible for any of his losses?

I’ve also thought about whether Mr B did enough to satisfy himself that the job opportunity he was allegedly sending money to take part in was genuine and wouldn’t result in him losing that money.

I accept that Mr B had signed up to a recruitment website as he’d been looking for work, but it’s very unusual for a recruiter to contact a prospective candidate and offer them a job through a messaging app, without having ever spoken to them. I’m also not aware that Mr B received any kind of paperwork or employment contract showing what he thought he’d been offered, or what he’d agreed to do in return. This, as well as having to pay to earn money in return, isn’t a plausible scenario.

With this in mind I think it’s fair for the responsibility of Mr B’s losses to be shared equally between Mr B and Wise.

#### **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’ve taken into account the comments and additional evidence provided by Wise and Mr B/ But having done so, my initial thoughts haven’t changed, and I’ll explain why.

Wise disagreed that it should’ve done more than showing the on-screen warning that it did – at least for the first few payments – and it provided evidence of the warning screens Mr B would’ve seen after selecting the payment purpose that he was “paying to earn money by working online”.

Having reviewed these, I haven’t changed my decision. I say this because whilst the trigger points at which a business should intervene will vary depending on multiple factors, in this case, I think the warning that Wise showed Mr B from payment three was, in fact, misleading. As I set out in my provisional decision, Wise knows that paying to earn money by working online is a common scam. Yet the warning it says it showed Mr B included the wording “So, whilst your answers **don’t suggest this is a common scam** [my emphasis], talk to someone you trust first.”

With this in mind I haven’t reached a different outcome from what I explained in my provisional decision. I maintain that the scam may’ve been prevented from the third payment

onwards, had Wise's warning been more effective and not misled Mr B into something which Wise ought to have known to be untrue.

Finally, I've noted Mr B's points that he had recently uploaded his CV to an employment website, and the messaging account he discussed the role with looked very convincing.

Whilst I accept Mr B's points, my opinion stands that it's highly unlikely an employer would offer a candidate a job through a messaging app, without any form of recruitment process. Additionally, paying vast sums of money in order to earn money should've raised Mr B's suspicions, despite the other aspects which I appreciate were more convincing. So it wouldn't be fair for me to conclude that Mr B isn't responsible for any of his losses, and I therefore maintain that the responsibility should be split equally between Mr B and Wise.

It follows that I uphold this complaint and Wise needs to settle it as follows.

### **Putting things right**

To put things right I require Wise to:

- Refund Mr B 50% of the payments from the third onwards, and;
- Pay 8% simple interest on each amount, from the date each payment left Mr B's account until the date of settlement\*.
- Wise can deduct any returns Mr B received which are clearly linked to the scam from the payment it makes Mr B.

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

### **My final decision**

I uphold Mr B's complaint and I direct Wise Payments Limited to do what I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 12 December 2024.

Sam Wade  
**Ombudsman**