

The complaint

Mr S complains that Wise Payments Limited has unfairly withheld a referral reward of £75.

What happened

Wise is an international money transfer platform offering a remittance service and a multi-currency account to eliminate traditional high charges when sending and receiving money.

Mr S participated in Wise's referral programme in November 2024, which promised a reward of £75 for the successful referral of three new customers. He said he adhered to all of the terms and conditions, with three customers opening accounts transferring £200 each, yet the promised reward has not been credited. Following his initial enquiry to Wise, Mr S raised his concerns about the lack of reward payment within the expected timeframe.

Wise responded to Mr S stating the reward wouldn't be paid as he hadn't used the program in 'good faith'. Wise said Mr S deposited some funds and then moved them out. He then referred three other people who first received a deposit from Mr S, and then sent the funds using conversion back to him. Wise said Mr S had asked the three referrals to move around his own funds to make it look as if the new customers were actively using Wise.

Wise said it has seen many instances of people opening an account, inviting others to join to get the reward and then never using Wise again. It said this is using its reward scheme in bad faith to gain funds and is a violation of its Referral Terms of Use. As this costs Wise money Wise has a specific term ensuring transfers have been made in good faith.

Mr S said he was deeply dissatisfied with Wise's handling of this matter and its failure to honour the terms of its referral programme and referred his complaint to our service. He reiterated that he had met the criteria and Wise's refusal to pay was unjustified.

Our investigator didn't recommend the complaint be upheld. He said Mr S deposited some funds and then moved these funds out. And each person that he referred received their first deposit from Mr S and then they sent the funds back using a conversion. He said all their actions were to take advantage of the referral program. Consequently, the investigator concluded that Wise had acted fairly in not crediting the referral reward.

Mr S disagreed with the investigator and requested an ombudsman review his complaint. He said the terms don't explicitly define 'good faith' and his actions were consistent with the program's requirements. He said the funds transferred were for valid reasons of shared financial planning, and there's nothing to suggest any fraudulent intent. He said his actions should not be misconstrued as abuse but rather as effective participation in the program.

Mr S said Wise's communication about the program's restrictions was ambiguous as he wasn't informed of limitations about fund transfers, which led to his breach of the terms. He said withholding the reward for suspected abuse is subjective and lacks transparency.

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.

In assessing whether Wise acted fairly towards Mr S, I've taken into account the relevant rules and guidelines along with good industry practice.

Wise, in common with many other financial businesses, offers an incentive scheme to attract new customers. However, aware of the potential for the abuse of such schemes it has terms and conditions in place. These are intended to give Wise the authority not to credit a reward where it considers the scheme to be abused. Wise's terms covering this are as follows:

'6. What we can do if you abuse referral programs or breach this agreement

6.1. If we suspect (in our sole and absolute discretion) that you have not used the Referral Program in good faith or have breached or acted inconsistently with the Agreement, we have the right to: a) refuse to pay you the Referral Fee b) suspend or terminate this Agreement, your participation in any Referral Program or your access to our Services under the Customer Agreement applicable and accepted by you.

6.1.1 You understand and agree that termination of your participation in the Referral Program (or your access to Wise's Service) will result in the immediate forfeiture of all Referral Fees associated with you.

6.2. Wise will be the sole arbiter in cases of suspected abuse, fraud, or violation of its rules and any decision it makes relating to termination, suspension, or disabling of your participation in Referral Program terms and/or your forfeiture of any Referral Fee.

From its analysis of Mr S's transactions and those of his referees, Wise has concluded Mr S was not using the referral program in good faith, and in accordance with the program's terms declined to credit the reward. Wise said its terms allow it to regulate the use of the referral program and ensure the use aligns with its requirement for customers to act in good faith.'

These terms which rely on customers acting in good faith and give Wise the absolute discretion to decide if good faith is present are similar to other business exclusions for rewards schemes.

Alongside the terms, I have considered the transactions Mr S and Wise have described. Mr S said the funds transferred to Wise were legitimate transactions, and there is no evidence to suggest any fraudulent intent. I agree, but the 'good faith' requirement and supporting terms are not about fraud prevention, they are written to reward actions of mutual benefit to customers and Wise, not just to customers.

Mr S told us that *'he acted within the bounds of the referral program's intentions and deserve the promised bonus'*. I disagree as it seems clear that the 'program's intentions' were the opposite of transferring money in and immediately transferring money out. On the contrary it is clear the program was intended as a marketing tool to attract customers and their friends or relations to use Wise on an ongoing basis. And it isn't clear to me how Wise, as opposed to Mr S and the others, would be able to benefit from these transactions as the same funds were moved through the accounts by means of the shared pooled funds Mr S has described.

Having considered the actions taken by Mr S, I agree with Wise and the investigator that Mr S has not met the 'good faith' element of the conditions for the scheme. As I have said, Wise has absolute discretion to not to credit the reward where it feels a customer hasn't acted in

good faith. From what I have seen I think Wise acted fairly and reasonably in applying the terms and conditions above and not crediting Mr S with the reward.

From the information I've seen, I think Wise made it sufficiently clear in the terms and conditions and other promotion material what was required in order to qualify for a reward.

Mr S said Wise's decision to disqualify him from the reward scheme seems to overlook the genuine interest and potential long-term value his referred customers could bring. Wise was entitled to take the alternative view from its terms and conditions, and I haven't found that it acted outside of the terms or treated Mr S unfairly in withholding the reward which Mr S believes he should have had as a result of his referrals.

Our service investigates the merits of complaints on an individual basis and that is what I've done here. I think it's important to explain that my decision is final. I realise that Mr S will be disappointed by this outcome though I hope he appreciates the reasons why it had to be this way.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 August 2025.

Andrew Fraser
Ombudsman