

The complaint

X says Wise Payments Limited (“Wise”) refuses to refund him for an unauthorised transaction on his account, and closed his account following his complaint about this.

What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail here.

In short, X disputes a \$914 debit from his account as an unauthorised transaction. X says he clicked on a link he received from a Facebook contact, but later discovered this was a scam which allowed the recipient to debit money from his Wise account without his consent. X says he raised this with Wise within minutes and asked it to recover the money he’d lost. He says Wise didn’t act on this quickly, and now the funds are no longer recoverable. X is also unhappy that Wise restricted and closed his account following his complaint regarding this transaction. He would like his account reactivated as he needs this account to receive income from his freelancing work.

Wise says it considered X’s complaint, but evidence suggests X made this transaction himself, and no one had hacked into his account. It felt that as X had likely made this payment himself, he was complicit in the fraud – which goes against the terms and conditions of his account with Wise. So, it closed his account, and it has no intention to reinstate it.

Unhappy with Wise’s resolution X brought his complaint to our Service. Our investigator considered this complaint but felt this wasn’t a complaint she could uphold. The evidence provided from Wise persuaded her that the transaction was likely carried out by X himself, and Wise was within its rights to close his account if they no longer wanted to provide him with its banking services. X was unhappy with this outcome, so the complaint has been passed to me for a final decision.

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.

Generally speaking, Wise is required to refund any unauthorised payments made from X’s account. Those rules are set out in the Payment Service Regulations 2017. X has said he didn’t carry out the transaction in dispute, but Wise says it thinks he did. So, I have to give my view on whether I think X did authorise the transaction or not.

As the investigator set out in detail in her view, Wise has provided evidence that the transaction was made in X’s Wise app, logged on using his biometrics on his regular device. It has also provided evidence that this was from a regularly used IP address, located in his country of residence. There is also a recording of the phone call of X first complaining to Wise about this transaction. In this call, he says he made the transaction but was tricked into sending this money by someone on Facebook. X hasn’t disputed the finding made by the

investigator in relation to the transaction being authorised and hasn't provided any further evidence for me to consider. So overall, I am persuaded that X made the transaction himself, and so it follows then that the transaction was authorised.

X is also unhappy that Wise didn't make attempts to recover the money immediately, as he reported the incident within minutes of the money leaving his account. However, Wise has a duty to process payments as instructed by its customers and investigate any complaints before taking any action. In this case, Wise investigated X's complaint and based on the evidence decided that the transaction was authorised, therefore it didn't refund the funds from its own pocket. Based on X's evidence Wise believed X is complicit in the fraud that occurred on the account, so it didn't immediately attempt to recover the money from the recipient's account. However, I have seen that Wise did look into recovering the funds, but no money remained in the account. But essentially I don't think Wise has done anything wrong in investigating the complaint before attempting to recover the funds.

X is unhappy that Wise closed his account and is no longer offering him any banking services. However, Wise is within its rights to decide who to offer their services to and to withdraw its services if they feel the customer has breached its terms and conditions. I am unable to ask Wise to reopen X's account as our Service doesn't have the power to instruct it to change its products or processes or force it to offer their services to someone it doesn't want to.

Overall, having considered the evidence I am not persuaded the transaction in dispute was unauthorised. I also don't think Wise has done anything wrong in withdrawing X's banking facility and closing his account.

My final decision

For all the reasons outlined above, I am not upholding this complaint.

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

Sienna Mahboobani
Ombudsman