

## **The complaint**

Mr N has complained about how Wise Payments Limited (Wise) handled a refund claim he made to them.

## **What happened**

Mr N purchased a camera using his Wise debit card from an online marketplace I shall call 'F' in November 2024 to the sum of £3,799.00. However, he says the item he received wasn't genuine and sent it back. As Mr N didn't receive a subsequent refund and the matter wasn't resolved with F, he contacted Wise to raise a chargeback claim.

Wise considered Mr N's claim but didn't consider it met the requirements of the card issuer rules. They therefore said they couldn't progress the claim further.

Mr N didn't agree and felt he had sent in sufficient evidence to show he had a valid claim and a refund was due. As the matter remained unresolved with Wise, he referred the matter to this service.

Our investigator considered the available evidence and said that Mr N had provided sufficient evidence with mind to the card issuer rules for Wise to have progressed the chargeback claim. They also concluded there was a reasonable prospect of success if they had done so and so considered Wise should refund the claim cost along with 8% interest simple.

As Wise didn't consider this to be fair, they asked for an ombudsman to issue a final decision on the matter.

## **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.

It's important to note that Wise aren't the provider of the goods here – so in deciding what is fair and reasonable, I'm looking at their particular role as a provider of financial services. In doing so I note that because Mr N paid for this transaction using a Wise debit card, a chargeback could possibly help him. So in deciding what is fair and reasonable I've focussed on this

## **Chargeback**

Chargeback is the process by which settlement disputes are resolved between card issuers and merchants. A consumer isn't entitled to chargeback by right. But where there are grounds to raise one and it has reasonable grounds for success, it is good practice for one to be raised by the card issuer.

However, a chargeback isn't guaranteed to succeed and is governed by the limitations of the particular card scheme rules (in this case VISA). The relevant chargeback code here would be 'Credit Not Processed'. I've therefore considered the evidence available regarding this chargeback rule and whether Wise acted fairly when they declined to progress Mr N's claim further.

### *Did Wise act reasonably in declining the chargeback claim?*

As I've already provided my thoughts to Wise in depth, I won't be going into this in detail here but will be providing a summary for why I agree with the investigator that they didn't handle the claim fairly.

Quite simply, each chargeback claim needs to be treated on its own merits and with consideration of the evidence available. In this case, the relevant evidence needed under the card issuer rules is that *'the Cardholder received a credit or voided Transaction Receipt that was not processed'*.

Mr N provided documentary evidence showing that the item was returned to F and a confirmation he would receive a refund by 20 November 2024. This would then be the equivalent of a credit receipt, yet a refund was not given. I therefore consider that this would've been sufficient for Wise to raise the claim as this met the required card issuer rules. In addition, there was a reasonable prospect of success if the claim had been progressed further based on this.

Wise didn't progress the claim, and while I appreciate it may have various considerations for not doing so, I don't think this was fair here. If they had progressed the claim, F may then have provided further submissions that would've shed more light on the matter – but as Wise didn't, the most relevant evidence for the chargeback remained the documented refund promise from F. As this refund didn't occur, and the claim is now out of time, Mr N has lost out from this avenue of redress.

I therefore consider Wise should refund the claim amount in full, plus interest at 8% simple, from the date the claim was declined to the date of settlement.

## **My final decision**

My final decision is that I uphold this complaint. Wise Payments Ltd must:

- Refund Mr N the claim amount of £3,799.00 plus interest at 8% simple per annum from the date the claim was declined to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 22 December 2025.

Viral Patel  
**Ombudsman**