

The complaint

Mr C complains Wise Payments Limited trading as Wise didn't do enough to get a refund for transactions made on his debit card.

What happened

In January and February 2025, Mr C made a number of transactions, via his Wise debit card to online merchants.

Mr C then contacted Wise to raise a chargeback for these transactions. He explained they had been payments to online casinos; however, he had a block on his devices that should have stopped gambling transactions being processed. Mr C also said the casinos had said the transactions hadn't been successful, but his debit card had still been charged.

Wise looked into the transactions and said it wasn't able to raise chargebacks. It said Mr C had authorised the transactions and the merchants had used different codes, so these hadn't shown as relating to gambling. Wise said it wasn't possible to raise a chargeback in relation to gambling transactions, so it wasn't able to help.

Having complained to Wise, it didn't agree it had done anything wrong, so Mr C referred his concerns to the Financial Ombudsman. One of our Investigators looked into what happened and thought Wise was reasonable in its decision not to raise chargebacks for the transactions Mr C was disputing.

Our Investigator said he was satisfied Mr C had authorised the transactions he was trying to dispute. He explained that Wise can only stop transactions if the merchant has a merchant categorisation code ("MCC") that identifies the transaction as relating to gambling. Our Investigator explained that the merchants Mr C had transacted with, hadn't used MCC's relating to gambling, rather other codes, so he didn't think Wise was wrong for processing these transactions.

In relation to the chargebacks, our Investigator said that the rules to dispute a transaction are set by the card scheme, Visa in this case. He said he thought Wise was reasonable in its decision not to raise chargebacks as they didn't have a reasonable prospect of success under the card scheme rules.

Our Investigator also considered Wise's decision to close Mr C's account and thought it had been reasonable in making this decision.

Mr C disagreed with our Investigator's conclusions. He said the fact the merchants used incorrect MCC's was evidence they'd misrepresented the transactions. So, on this basis Wise should have raised chargebacks for the transactions he was disputing.

As the matter wasn't resolved, the complaint has been passed to me to decide.

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 given consideration to the relevant rules and regulations applicable to this complaint and while I may not comment on everything (only what I consider is key) this is not meant as a discourtesy to either party, rather reflects the informal nature of our service.

Payment authorisation

I've started by reviewing Mr C's concerns about whether he authorised all the payments related to this complaint. I note we've received correspondence from Mr C that suggests he accepts he authorised all the payments. However, for completeness as Mr C had queried this, I've reviewed whether I think Wise fairly considered this complaint point.

The relevant law here is the Payment Services Regulations 2017 – these set out what is needed for a payment to be authorised and who has liability for disputed payments in different situations. With some exceptions, the starting point is that the consumer is responsible for authorised payments, and the business is responsible for unauthorised payments.

Wise reviewed Mr C's concerns that he hadn't authorised some of the payments and concluded that he had and was therefore liable for them. Wise has provided evidence that all the transactions were processed through 3D Secure via two step authentication with push notifications sent to Mr C's phone on IP addresses he'd previously used.

I can also see that deposits were made from other accounts held by Mr C to his Wise account, shortly before the transactions, applicable to this complaint, were made. Without these deposits, Mr C's Wise account wouldn't have sufficient funds for the transactions to go through. And I'm not aware that Mr C has raised any concerns in relation to any of his other accounts.

As a result, in reviewing the evidence available, I think Wise was fair in concluding Mr C made these payments, as the evidence supports that Mr C was required to authorise each one, which it seems he did.

Gambling block

I've then reviewed Mr C's concerns that although he'd placed a block on his phone to prevent him accessing gambling sites, he was still able to access and process the payments via his Wise card that are subject to this complaint.

Wise wouldn't be responsible for the service provided by a third party in blocking gambling sites from devices such as his phone. However, I think it might be helpful to provide some context on how these often work and some of the limitations of any block that might be applied.

Gambling blocks that can be placed by financial service providers, such as Wise, work by identifying MCC's, which are the codes used by merchants to show what sort of goods or services are being purchased. There is a specific code for gambling transactions and when a block is placed on an account it works by identifying this code and blocking any payments associated with it.

While this block can be useful, it is dependent on the gambling merchant using the correct MCC to identify itself, so therefore does have limitations. Wise has provided evidence to show that the transactions Mr C has disputed didn't have the correct MCC's in place, so weren't identified as relating to gambling.

So, while the block he had related to accessing the website, and isn't something Wise could be held responsible for, it's also the case that the MCC code used didn't flag the transactions as ones related to gambling either.

I realise it'll be concerning to Mr C that these transactions were processed, but I haven't found this is due to an error made by Wise. Unfortunately, there are gambling websites that don't use the correct MCC's to circumvent these blocks, but it wouldn't be fair for me to hold Wise responsible for the merchants not using the correct MCC.

Chargeback

I've therefore gone on to consider whether Wise was reasonable in its decision not to raise chargebacks for the transactions Mr C wished to dispute.

The chargeback process provides a way for Wise to ask for a payment its customer made to be refunded. Where applicable, it raises a dispute with the merchant and effectively asks for the payment to be returned to the customer. There are grounds or dispute conditions set by the relevant card scheme, Visa, and if these are not met, a chargeback is unlikely to succeed.

The chargeback rules include set scenarios where a customer may be able to raise a dispute, in circumstances such as where goods or services aren't provided or they're not as described or defective. However, all of these reason codes exclude the right to raise a chargeback if it relates to a transaction that was intended for gambling.

Mr C has said Wise should have raised a chargeback on the basis of misrepresentation or the use of invalid data. Because the merchants didn't disclose the true nature of the transactions, by using the incorrect MCC's to circumvent any gambling blocks that may be in place.

I'm sorry to disappoint Mr C, but I don't agree this is an avenue through which he could have raised a successful chargeback. I appreciate Mr C says he's previously disputed transactions on this basis; however, our Service has since clarified this point with the card schemes including Visa.

Visa has confirmed that there are no chargeback rights for any sort of gambling transactions, such as the ones Mr C made. And there are no chargeback codes applicable where incorrect MCC's have been used, meaning it isn't possible to dispute these transactions on the basis of invalid data. Visa also confirmed, that had a card provider such as Wise submitted a chargeback in circumstances such as Mr C's for it to decide, this wouldn't have been successful.

It isn't for me to comment on the scope of the chargeback rules, as I'm considering the actions of Wise in this complaint. As a result, in considering Wise's explanations for not attempting the chargebacks, I think this was reasonable, as it didn't consider they didn't have a reasonable prospect of succeeding.

Account closure

I've also reviewed Wise's decision to close Mr C's account. The terms of Mr C's account set out Wise can close his account at any time and give 60 days' notice or close it with immediate effect in certain circumstances.

I appreciate this won't be the answer Mr C is hoping for, but having reviewed these terms and the reasons Wise has given for its decision to close Mr C's account, I'm satisfied Wise reasonably applied the terms of his account.

I know Mr C may be frustrated that Wise hasn't explained why it made the decision to close his account. At times this information can be commercially sensitive, so firms such as Wise aren't required to provide this information. Wise has however provided further information to our Service in confidence, so I hope it comes as some reassurance to Mr C that I've impartially reviewed this and can confirm Wise was entitled to close his account in the manner it did.

Conclusion

In conclusion, while I'm sorry to hear of the challenges Mr C has faced, I haven't found Wise acted unreasonably in considering his request for the refunds or its decision to close his account. Therefore, I won't be asking Wise to do anything further.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 22 January 2026.

Christopher Convery
Ombudsman