

## **The complaint**

Mr T complains that Wise Payments Limited won't refund a payment that happened after he was tricked by a scam.

## **What happened**

In summary, Mr T was tricked by a scam connected to an online marketplace that allowed a card payment to go through to a money remittance service for £245 from his Wise account.

Mr T disputed the payment with Wise, who declined his claim given how the payment was approved with an additional layer of security (in this case, '3DS'), and that it wasn't likely it could recover the money given the nature of the merchant.

Unhappy with this outcome and Wise's lack of response to his complaint, Mr T brought his concerns to our service to investigate.

I sent a provisional decision which didn't uphold the complaint. I considered the payment to have been authorised, and I didn't think it was reasonable to say that Wise ought to have prevented it nor recovered it from the merchant.

Wise responded to confirm it didn't have anything further to add. Mr T didn't reply by the deadline given. So the complaint has come back to me to reach 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.

Given that neither side has added anything further in response to my provisional findings, I see no reason to depart from what I said. For completeness, I've included my reasoning again below.

It's not disputed that Mr T was the victim of a cruel and sophisticated scam. My role is to consider whether it's fair to hold Wise, as his account provider, responsible for his losses from the scam.

There are various rules and codes that mean victims of scams ought to be refunded in some circumstances. But to be clear, there isn't an overarching, general expectation that firms ought to refund victims of scams.

For a card payment like the one in dispute here, the starting position is that Wise is liable for unauthorised payments and Mr T is liable for authorised payments. Accordingly, that is my first question.

### *Was the disputed payment authorised?*

To decide whether Mr T authorised this payment, I've considered the Payment Services

Regulations 2017. Broadly, these explain that it depends on whether he consented to the payment in the form, and in accordance with the procedure, agreed between Mr T and Wise.

For this transaction, it's not clear Mr T used the agreed steps because, in the circumstances, it seems more likely a fraudster used his card details and OTP on the merchant's website to make the payment.

But that's not the end of the matter. Because the PSRs also allow for Mr T to permit someone else to act on his behalf. He could do this *explicitly* – for example, by telling someone he wanted to the payment to go ahead. Or it could be *apparently* – in that he did something that told Wise he wanted the payment to happen.

Here, I've noted that Mr T said he didn't expect money to leave his account. But it seems he also understood the money would be temporarily reserved and would be returned in a few seconds. And I can see he topped up his balance beforehand. So it's unclear to me that Mr T didn't agree his money would be effectively taken, albeit for a very short period.

I've also considered Wise's records which show that after it declined the initial payment attempts, it froze his card and a notification was sent. After this, Wise said he'd have been shown a screen which gave the transaction details (amount and merchant) and asked him to confirm if he wanted to allow this type of transaction in future. Wise has also provided a record that shows the card was subsequently unfrozen, showing the payment must have been confirmed.

I appreciate Mr T doesn't recall this and questions whether fraudsters could've done it. But I've not seen evidence they'd access to this. And I've noted that in the conversations with the fraudsters that he's provided, there's a reference to the bank's app and the bank asking for verification of his last purchase. Given this and the records, I think it's more likely that not that Mr T completed these steps.

It follows that I think Mr T did agree to the payment taking place. But even if he didn't, he effectively told Wise he wanted the payment to happen. That mean I think it's fair for Wise to regard this payment as authorised and the starting position is that Mr T is liable for his losses.

#### *Should Wise have recognised Mr T was at risk of financial harm from fraud?*

While the starting position is that Mr T is liable for the disputed card payment, I have also considered whether Wise ought to have identified that this payment was suspicious and stepped in before it was made.

Here, Wise has confirmed that it did decline the first payments on suspicion of fraud and, as I explained above, Mr T was asked to confirm he wanted to allow this type of transaction. So, the question isn't whether it should have stepped in, but whether its response was reasonable and proportionate to the risk of harm.

I'm satisfied it was here. That's given that it was a single payment, and the amount, while a lot for Mr T to lose, wasn't particularly significant in value. Taking this all into account, I don't think Wise acted unreasonably in how it processed this payment.

#### *Did Wise act fairly in trying to recover Mr T's losses?*

As well as whether Wise ought to have prevented his losses, I've considered whether it could have done more to recover them. But I note the merchant was a money remittance service, who likely did what they were expected to do. So I don't think there were any

reasonable chances of a successful chargeback claim (a voluntary scheme run by Mr T's card issuer which can provide a refund in certain circumstances).

I've also considered that when a card payment is made, it can't simply be stopped by Wise – because the merchant has already been promised that money. So while Mr T reported the matter quickly, I don't think Wise could've done more here to get the money back.

#### *Did Wise handle the dispute appropriately?*

I've noted Mr T's concerns with the service he received and Wise's lack of response. But I'm mindful that he had the option of bringing the matter to our service to look into, even without Wise's response. And that ultimately, I think the driving force of his frustration was the scam itself (which I can't fairly blame Wise for) and the outcome they reached (which I think was fair in the circumstances). So I'm not persuaded that the impact caused by Wise's handling of the matter warrants compensation.

#### *Conclusion*

I appreciate this will be disappointing news for Mr T, particularly as he's ultimately a victim in this situation. But for the reasons I've explained, I don't think I can reasonably tell Wise to refund this.

#### **My final decision**

For the reasons I've explained, I don't uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 5 January 2026.

Emma Szkolar  
**Ombudsman**