

## **The complaint**

Mr L complains that Wise Payments Limited deposited a transfer into the wrong account and failed to take reasonable measures to get it back.

## **What happened**

On 15 March 2021 a transfer for a substantial sum was sent to Wise, intended for Mr L. But due to an error on the transfer instruction the wrong account number was noted. As a result, the funds were deposited in an unintended recipient's account. The funds were withdrawn by the unintended recipient the same day.

On 18 March 2021 the issue was raised with Wise and it began an investigation. Wise attempted to contact the unintended recipient but the funds weren't returned.

On 23 March 2021 Wise attempted to recall funds from the unintended recipient's bank but has been unsuccessful.

Mr L complained and Wise sent him a final response but didn't agree it had made a mistake. Wise said it had processed the transfer in line with its instructions and tried to retrieve the funds.

Mr L referred his complaint to this service and it was passed to an investigator. They thought Wise had dealt with Mr L's complaint fairly and didn't ask it to do anything else. Mr L asked to appeal and explained he feels Wise should've done more to check the account name and details included in the transfer instruction matched. As Mr L asked to appeal, his complaint has been passed to me to make a 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.

First, I'm aware I've set out the background to this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

In response to our investigator, Mr L highlighted foreign legislation concerning the verification process for transfers. I understand Mr L's view that Wise should've verified the account number and name included in the transfer instruction matched. I've considered whether the regulations that apply here require Wise to take that step. I'm very sorry to disappoint Mr L as I understand his view, but the regulations Wise was operating under don't

require it to specifically match the name of an account to the account number during a transfer process.

The transfer process is largely automated and Wise has explained it followed its instructions by applying the funds to the nominated account. I'm very sorry to disappoint Mr L but I'm satisfied that's the case. I haven't been persuaded that Wise incorrectly applied the transfer.

I can see that Wise contacted the unintended recipient when the issue was brought to its attention and went on to chase when no responses were received. The funds were quickly transferred from the unintended account. I understand Mr L feels it should've been a simple matter for Wise to reverse the transfer, but I'm satisfied it needed to contact the account holder to verify the request before it could be completed. As no agreement was received to return the disputed funds and they had been transferred, Wise's options were limited. But I haven't found that Wise acted unfairly when it declined Mr L's request to reverse the transfer.

The sending bank attempted to recall the transfer on 23 March 2021 but the funds had already been removed at that point so it couldn't proceed.

Wise has explained it can't release identifying information for the unintended recipient because of data protection laws and I'm satisfied that's the case. Wise has confirmed it will release the private information to the Police as well as this service. I can confirm that we've been given evidence that supports the information Wise has provided to Mr L about the transfer and its attempts to contact and obtain a refund from the unintended recipient.

I'm very sorry to disappoint Mr L as the sums involved are substantial and I appreciate a genuine mistake was made. But I'm satisfied Wise followed its transfer instructions and made reasonable attempts to retrieve the funds from the unintended recipient. As I'm satisfied Wise dealt with Mr L's complaint fairly I'm not telling it to take further action.

### **My final decision**

My decision is that I don't uphold Mr L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 18 May 2022.

Marco Manente  
**Ombudsman**