

The complaint

Mr J complains that Wise Payments Limited actioned an incorrect transfer request.

What happened

Mr J says he had two pending transfers on his Wise account, both for \$43,000 Australian Dollars (AUD) to Pound sterling (GBP). He says one of these transfers expired and he had not actioned any type of transfer for this and he had stated he had not paid in the money yet for this particular transfer to be actioned.

Mr J says that on the second transfer request, he specifically stated that he had transferred the money and the system showed they were waiting for the money. Mr J says that after he had deposited the money into his Wise account, instead of this particular transfer being actioned, which had a favourable exchange rate, the other transfer, which had no guaranteed exchange rate – as it had expired, was actioned, despite Mr J saying he had not actioned any money transfer to this particular request.

Mr J says the favourable, guaranteed exchange rate, which was awaiting money was ignored and an inactive transfer request, where he had not clicked that he had transferred the money was actioned instead. Mr J said that on both transfer requests, there is an option to choose which transfer request has had the money deposited into, therefore it wouldn't make any sense to have this option available to customers if it had no effect on where the deposited money was going. Mr J made a complaint to Wise.

Wise did not uphold Mr J's complaint. They said that Mr J had created five transfers for \$43,000 AUD between 26-29 April 2022. Wise said that the first three transfers had been cancelled by Mr J, the fourth transfer was completed by them on 2 May 2022 and the fifth transfer was currently active at the time of their response. Wise explained to Mr J that if he set up multiple transfers with them, but he only paid for one of them, the deposit would be assigned to the oldest active transfer on his account. Wise said that selecting "*I've paid*" will just indicate that he has made a payment, but it doesn't change the order of how the system links the funds. Wise displayed a weblink which showed an explanation of how funds are linked and the creation of multiple transfers.

Mr J brought his complaint to our service. He said he wanted the difference in the exchange rate between the transfers (£427.12) to be paid to him into addition to compensation for inconvenience. Our investigator did not uphold Mr J's complaint. He said that Wise had acted in line with their terms and conditions by applying the deposit to the oldest active transfer. Mr J asked for an Ombudsman to review his complaint.

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 looked at the weblink which Wise included in their response to Mr J's complaint. This takes you to Wise's website and shows that "*if you created multiple transfers but only paid*

for one of them, we'll assign your deposit to the first transfer you created. You can cancel any transfer you don't intend to complete and leave just one active, so we know where to assign your money to". Wise have shown that Mr J had created five transfers between 26-29 April. But he had cancelled the first three of these and this is why the deposit he made wasn't assigned to the first transfer (or the second or third transfer during this timeframe). But as Mr J had not cancelled the fourth transfer, the money had been assigned to this transfer, even though the guaranteed rate had expired.

There is a section on Wise's website which says "*what if I miss my guaranteed rate?*" this goes onto say that "*if your money reaches us after your guaranteed rate lock has expired, we'll use the live rate at the time we receive it*". So I'm satisfied that this is what Wise did. The money reached wise after his guaranteed rate lock had expired, so they used the live rate at the time they received it. This is in line with section 13.3 of Mr J's customer agreement. As our investigator and Wise have previously communicated this to Mr J, I won't repeat this here.

I've considered that on this occasion the live rate was less favourable than the guaranteed exchange rate Mr J had on his fifth transfer, but as this was the oldest active transfer, I'm not persuaded that Wise have done anything wrong here, as this is in line with their terms and conditions and information which is on their website. If Mr J had cancelled the fourth transfer, prior to depositing the money, then I'm satisfied it would have been assigned to the fifth transfer, which is the one he ultimately wanted it to be assigned to. But as he hadn't, I'm satisfied that Wise acted in line with how they set out they would. So it follows I won't be asking Wise to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 26 October 2022.

Gregory Sloanes
Ombudsman