

## The complaint

Mrs D is unhappy with the service she'd received from HiFX Europe Limited, trading as XE, surrounding transfers she instructed from an overseas bank account to the UK.

## What happened

Mrs D opened an account with XE as she wanted to transfer the proceeds from the sale of an overseas property to a UK bank account. The transfer was to be made from an overseas account held jointly in the names of Mrs D and her husband, and this led to XE requesting some further documents from Mrs D to verify her husband's identity.

Mrs D then instructed several transfers to move the money into the UK in stages, but XE explained that they still needed further information about Mrs D's husband before the transfers could be allowed to complete. Mrs D couldn't provide the further information required so she requested the cancelation of the transfer contracts but was advised by XE that there would be a significant cost to do so. Mrs D wasn't happy about this, so she raised a complaint.

XE looked at Mrs D's complaint. They confirmed that they hadn't received the required information from about Mrs D's husband to enable the transfers to be completed and they didn't feel that they'd acted unfairly towards Mrs D in how they they'd managed the situation, including the transfer cancelation fees. So, they didn't uphold the complaint.

Mrs D wasn't satisfied with XE's response, so she referred her complaint to this service. One of our investigators looked at this complaint. But they also didn't feel that XE had acted unfairly or unreasonably, and so they also didn't uphold the complaint.

Mrs D remained dissatisfied, so the matter was escalated to an ombudsman for 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.

I issued a provisional decision on this complaint on 3 October 2022 as follows:

*This includes listening to several recorded telephone calls between Mrs D and XE, including an initial call from 25 June 2021 where Mrs D first discusses her requirements and where XE's agent speaks with Mrs D's husband to add him to the account.*

*Importantly, during this telephone call, there's no indication given by XE's agent of the future validation requirements that would be asked by XE in regard to Mrs D's husband, including that XE would ask for proof of Mrs D's husband's address in the UK – a document Mrs D was unable to provide and which ultimately led to Mrs D requesting the cancelation of the transfers she'd initiated on her XE account.*

*Indeed, it's notable that XE's agent on the initial call explains that Mrs D's husband has now been added to the account and that all that needs to happen is that Mrs D's husband needs to accept a confirmation sent via email, at which point Mrs D would be able to begin instructing the transfers as she wanted.*

*Upon consideration of the full circumstances of this complaint, I find it difficult to reach any conclusion other than had XE's agent explained to Mrs D the steps that would be needed to fully verify her husband before money received from him by XE would be transferred, including that Mrs D would need to provide proof of her husband's address in the UK – which as explained, Mrs D was unable to provide – I feel that Mrs D wouldn't have proceeded with the transfers in the same manner that led to the impasse about which Mrs D now complains.*

*Accordingly, given that I don't feel that Mrs D was given the information that she reasonably should have been given on the initial call, and given that I feel that Mrs D wouldn't have instructed the transfers she did instruct had she been given the more detailed information about what would be needed from her by XE to verify her husband on the account, it doesn't feel fair to me that Mrs D should have suffered the delays on the instructed transfers, and the fees she incurred when trying to then cancel those transfers, that she did.*

*I'm aware that Mrs D instructed several transfers including one that she refers to in her conversations with XE as being a test transfer. And I note that the purpose of a test transfer is to allow it to complete successfully before initiating further transfers, which Mrs D didn't do in this instance, but instead initiated further transfers before the test transfer had completed.*

*But it remains my position that none of the further issues would in all likelihood have occurred had Mrs D been made aware in the first instance that she would have to provide documents for her husband that she would be unable to provide. And this means that I feel the root cause for the issues that have occurred here is ultimately the non-provision of important information to Mrs D by XE.*

*All of which means that my provisional decision here is that I'll be upholding this complaint in Mrs D's favour and instructing XE to allow Mrs D to cancel all the transfer contracts instructed by her without charge. I'll also be instructing XE to make a further payment of £500 to Mrs D to compensate her for the inconvenience and upset that this matter caused, including the time that Mrs D spent trying to resolve this issue and the delays incurred by her in being able to transfer the money to the UK as she wanted – all of which I feel could have been avoided had Mrs D been properly informed in the first instance.*

In my provisional decision letter, I gave both Mrs D and HiFX the opportunity to provide any comments they might wish me to consider before I moved to issue a final decision. HiFX confirmed they had no further information to provide, whereas Mrs D did not respond.

As such, I see no reason not to issue a final decision upholding this complaint in Mrs D's favour on the basis explained above. And I can confirm that my final decision is that I do uphold this complaint in Mrs D's favour on that basis accordingly.

### **Putting things right**

HiFX must allow Mrs D to cancel all the transfer contracts without charge, making any reimbursements to Mrs D that might be necessary to achieve this.

HiFX must also pay a further £500 to Mrs D as compensation for the trouble and upset that she'd incurred here.

### **My final decision**

My final decision is that I uphold this complaint against HiFX Europe Limited, trading as XE, on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 29 November 2022.

Paul Cooper  
**Ombudsman**