

## **The complaint**

Ms M is unhappy Wise Payments Limited (“Wise”) have charged her a fee when she made a transfer from her Wise bank account to her other bank account.

## **What happened**

Ms M complains Wise were responsible for deducting around £150 worth of charges when she transferred £5,000 from her Wise bank account to her other account in March 2022. Ms M says other banks may deduct up to £10 or £20 for such transfers, so she considers the amount Wise deducted to be down to their system error. As a result, Ms M wants Wise to refund her the amount she was charged.

Wise say while it seemed Ms M's intention was to make a GBP to GBP currency transfer from what she told them, she in fact, set up the transfer to go from GBP currency to EUR currency. In this process, Wise clarified they charged Ms M a fee of £17.67 to convert the transfer currency from GBP to EUR. And on top of that, Wise say Ms M was charged £128.33 by the receiving bank to convert the money from EUR back to GBP as the receiving account couldn't accept Euro payments. Wise said this was why only £4,854 was received into the receiving bank account.

Ms M said she wouldn't have made the transfer from GBP to EUR as Wise suggested because she lives in the UK and has no need to make a GBP to EUR transfer. So, Ms M remains of the opinion that Wise should refund both fees she was charged. Wise said when Ms M made them aware of the situation, they agreed to refund their fee of £17.67 as a gesture of goodwill. But said Ms M told them she'd only consider the complaint to be resolved if Wise also reimbursed her with the fees charged by the receiving bank. Wise didn't agree to do this as they said they can't be responsible for the receiving bank's fee.

Our Investigator looked into Ms M's concerns. In summary, he didn't think Wise had acted unfairly as he said it appears the international transfer option was selected by Ms M when she was making the transfer. And that Wise didn't do anything wrong when processing the payment as instructed via the payment screen by Ms M. Our Investigator said Wise's offer to refund the fee they charged was fair. But he didn't recommend Wise refund Ms M the fee charged by the receiving bank.

Ms M disagreed. In summary, she said she's made transfers using Wise before and in doing so, when she's put in the account number of the receiving bank account, the currency automatically appears as it's able to identify which country the bank account is in, from its account number. Ms M says this is what she did in this instance – she put in the bank account number of the account she was transferring money to, so Wise's system should have identified the country and bank name to which the money was going to, based on the bank account number. Ms M said she doesn't understand why Wise switched her payment from GBP to EUR. So, 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.

Wise have provided us with screenshots of the process Ms M would have likely gone through at the time of this transfer. I can see Wise's system first required Ms M to select the payment type, either international or same currency, before putting in details of the payment Ms M was making. In order to find that Wise have done something wrong here, I'd have to be persuaded, on balance, the payment was made in the incorrect currency as a result of a glitch in Wise's system of some description which then changed the currency from GBP to EUR. However, I haven't seen anything to persuade me this happened as a result of a system error. Instead, having reviewed the steps likely taken by Ms M, I think on balance, it's more likely Ms M chose the international option rather than the same currency option which meant the transfer incurred fees.

Ms M says Wise's system should have identified the country and bank name to which the money was going to, after inputting the bank account number. Therefore, it ought to have noticed the currency of the receiving bank. Wise have provided a screenshot to show that once the account number is entered, their system only generates the receiving bank's name.

Wise's terms and conditions set out that Ms M must make sure the information she provided when setting up a payment order was correct. And that Wise will process the order in accordance with the information Ms M provided – which is what they've done here. I note Wise offered to refund their fee, which Ms M didn't accept. And I note Ms M has asked for Wise to also refund the fee charged by the receiving bank. But I won't be asking them to do this. I can't fairly hold Wise responsible for the fee charged by the receiving bank as a result of the receiving bank having to convert the payment from EUR to GBP. I say this because Wise's terms and conditions don't have a provision to say they're responsible for any fees charged by a receiving bank. Wise would only be responsible for foreseeable loss or damage, but I don't consider the fee charged by the receiving bank to be a foreseeable loss. I could also tell Wise to refund this fee if I thought they'd made an error leading to it – but as I've explained above, I'm not persuaded they did make an error.

As explained, Wise have already made an offer to refund their fee of £17.67 to settle the complaint and they've confirmed this offer is still available to Ms M. In their final response letter, Wise offered to either add the fee as credit to Ms M's account or if she preferred, they offered to transfer the same amount directly to Ms M's Wise account balance. Ms M should contact Wise directly if she now wishes to accept this.

### **My final decision**

For reasons explained above, I don't think Wise Payments Limited need to do anything to settle the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 12 April 2023.

Leanne McEvoy  
**Ombudsman**