

The complaint

Ms A complains that Wise Payments Limited (“WPL”) deactivated and then closed her account, and that it has not released funds held on that account to her.

What happened

WPL is an international money transfer platform and money remittance service. It offers a multi-currency account.

Ms A opened an account with WPL in March 2021. In December 2021 WPL told her that her account had been deactivated, so she was unable to use it to receive or send funds. About a week later, WPL told Ms A that it was closing the account. It said it was carrying out due diligence checks and that the funds in the account – more than US\$11,000 – would be released when those checks were complete.

Ms A complained about WPL’s actions, but it told her in March 2022 that the account would remain closed.

Ms A referred the matter to this service, where one of our investigators considered what had happened. In the course of his investigation, the investigator asked Ms A about some payments that had been made to the account in December 2021. Ms A explained that some of the payments had been in respect of crypto-currency sales she had made to someone she knew and to a contact of theirs. Another payment had been made when her husband’s business partner made a loan to her; he later agreed to refund a repayment she had made in order to help her out.

The investigator concluded however that WPL had been within its rights to close the account. He thought as well that WPL had acted fairly and reasonably in not returning the funds in the account. It had, he thought, acted in line with relevant legal and regulatory obligations; the return process was, he said, being followed, and WPL was not responsible for any avoidable delays. He did not recommend that the complaint be upheld.

Ms A did not accept the investigator’s assessment and asked that an ombudsman review the case.

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.

Having done so, however, I have come to the same overall conclusions as the investigator did, and for similar reasons.

I appreciate that it is frustrating for Ms A that WPL is unable to tell her when the funds held on the account might be released. She has said too that she has no access to other funds with which to support herself and her family. I have no doubt she has suffered significant distress as a result.

I am however satisfied that WPL has, as the investigator concluded, acted in line with its legal and regulatory obligations and in line with the account's terms and conditions.

My final decision

For these reasons, my final decision is that I do not uphold Ms A's complaint and I do not require Wise Payments Limited to do anything more to resolve it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 4 July 2023.

Mike Ingram

Ombudsman