

## **The complaint**

Mr R is unhappy about the way in which Wise Payments Limited trading as Wise ("Wise") handled his account – in particular the closure of his account without providing him with a reason.

## **What happened**

Mr R held an account with Wise. Mr R had been using the account to send money to a foreign bank account since 2018. When Mr R tried to send funds through Wise in December 2022 he got a notification the account was not supported. Mr R contacted Wise about this. Wise said it couldn't process payments to the account Mr R provided it with and couldn't provide a reason why.

Mr R complained to Wise about this and the service he received. Wise didn't uphold Mr R's complaint and provided a response on 9 March 2023. It explained that its internal team had deactivated Mr R's account and he was informed about this by email. It says it tries to make its services available as much as it can, but sometimes due to local regulations, security reasons, technical issues or other factors beyond its control it may suspend access to its services which is in line with 22.1 of its terms and conditions.

It can also close accounts without notice and doesn't need to disclose the reason behind his account deactivation. Wise apologised for the delay in providing a final response to Mr M's complaint and offered £100 compensation.

Mr R was unhappy with this so brought his complaint to this service.

One of our adjudicators looked into Mr R's concerns and reached the conclusion that Wise was under no obligation to continue offering an account to a customer if it doesn't wish to do so – this is a commercial decision that it's entitled to take. And they thought that the £100 compensation was fair for not responding to Mr R's complaint in the timescales it said it would.

Mr R disagreed, he says he has been the victim of fraud and wants to know if Wise discriminated against him because of this and blocked and ended his account. Mr R wants to be compensated £400 for the hardship he says he's suffered due to Wise's actions and has asked for an ombudsman's 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.

My role is to look at the problems Mr R has experienced and see if Wise has done anything wrong. If it has, I would seek – if possible - to put Mr R back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

As has already been explained by our adjudicator, as a general rule Wise isn't obliged to continue offering an account to a customer if it doesn't want to – providing payment transfer services and facilities and to who is a commercial decision and not something for me to get involved with.

That being said it wouldn't be fair for Wise to suspend or close Mr R's account outside the terms and conditions of the account or without valid reason.

Under 25.2 of The terms and conditions of the account Wise is able to suspend or close an account without notice if:

- (a) you breach any provision of this Agreement or documents referred to in this Agreement;*
- (b) we are requested or directed to do so by any competent court of law, government authority, public agency, or law enforcement agency;*
- (c) we have reason to believe you are in breach of any applicable law or regulation; or*
- (d) we have reason to believe you are involved in any fraudulent activity, money laundering, terrorism financing or other criminal or illegal activity..."*

So I'm satisfied providing Wise believes Mr R's account activity falls into one of these categories it was entitled to close Mr R's account in line with the terms and conditions and that no error or mistake has been made.

I appreciate that this has caused some distress to Mr R as finding another payment service provider to continue making the transactions he needs to make will be an inconvenience and Mr R would like to know why Wise made the decision to close his account. But Wise aren't obliged to keep offering services to customers or provide a reason for the commercial decisions it takes, just as Mr R wouldn't be expected to say why he chose a particular business to transact with.

But that said I'm satisfied from the information I've seen that Wise's decision to close Mr R's account wasn't unreasonable and covered under its terms and conditions and the reason it won't disclose why the decision has been taken to close his account is due to the regulations surrounding this – rather than the discrimination Mr R alleges. So, I don't think it has done anything wrong or treated Mr R unfairly and it follows that I do not uphold Mr R's complaint.

Mr R is also unhappy at the service he received from Wise regarding this – in particular the length of time it took Wise to respond to his complaint. Wise has acknowledged it failed to respond within acceptable timeframes, apologised and offered Mr R £100 compensation for this. Which I think is a fair offer as I haven't seen enough to suggest that Mr R has suffered detriment which I think justifies compensation above this amount. If Mr R would like to now accept this offer, he should get in contact with Wise and provide his bank details.

So it follows that I do not uphold Mr R's complaint.

**My final decision**

For the reasons I've explained I've decided not to uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 12 December 2023.

Caroline Davies  
**Ombudsman**