

The complaint

Mr M complains that Wise Payments Limited unreasonably closed his account. He'd like the account reopened.

What happened

Mr M held an account with Wise. In March 2022 they wrote to him to say they were no longer able to service customers in the country he was living in, and that his account would close in 60 days' time. But in April 2022 Wise closed his account immediately.

By April 2023 Mr M had moved to the UK and asked if his Wise account could be reactivated. Wise declined to do so, so Mr M raised a complaint. The firm responded to say they'd closed his account in line with their terms and conditions but could not give precise reasons why. Because of this they wouldn't look to reactivate his account. They said there was a remaining balance of 0.01USD he could collect from them.

Unhappy with this answer Mr M referred his complaint to our service – saying he'd now left the country Wise couldn't service, so couldn't see a reason why he could not have his account reactivated. One of our investigators looked at what happened but didn't think Wise needed to do anything further. They said Wise had acted in line with their legal and regulatory obligations when closing the account and were satisfied the reasons they did so were fair.

Mr M disagreed, saying the closure notice had specifically mentioned his country of residency, which he no longer lived in. He said Wise had inconsistently quoted terms as the reason for the closure, and that he had only been given ambiguous reasoning. He felt that Wise had breached FCA rules by not being transparent and fair in their dealings with him. But the investigator didn't change their mind – saying there had been a further review after the initial closure notice, which had ultimately led to the closure. They felt this was fair.

But Mr M still didn't think this was fair, 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.

Generally, firms such as Wise have a broad discretion over who they can choose to provide accounts to, so long as they don't have any discriminatory criteria in deciding this. This is a commercial decision for them to make. Our service wouldn't often suggest a firm would have to provide an account to somebody – what we would do is look to see that they've been treated fairly and reasonably.

In this case Wise initially told Mr M that they could no longer service the country he was living in, so would be closing his account. But from what Wise has told our service there was a subsequent review into the account that led to it being closed earlier than the notice given. So, I can see why Mr M would be confused by the references to different sections of the

terms on closing the account. But I'm satisfied what I'm considering are the reasons given in section 25.2, regarding immediate closure of the account. The account in question was closed before Mr M lived in the UK.

The rules of our service allow us to treat certain evidence in confidence, for example if it's considered commercially sensitive. In this case Wise have provided their reasoning to our service, and I'm satisfied it should remain confidential. Because of this I can't detail it in full here, but I would say I'm satisfied that Wise's reasons are reasonable and rational. I've seen nothing to suggest the decision was made because of Mr M's nationality or residency status. Rather, this is a legitimate commercial decision in line with both the terms of the account, and Wise's wider legal and regulatory obligations.

I appreciate Mr M would like to know more, and there's a natural curiosity many people would have about this. But Wise aren't under any obligation to provide any more details to him. They've already declined to discuss their reasons in detail with him. I'm sure it will be frustrating for him that what he has been told is ambiguous and vague – and I apologise if he finds this decision to be similar – but I don't see that he's been treated unreasonably.

There is a small remaining balance on the account, that Mr M can contact to reclaim from Wise if he chooses.

Overall, I'm not minded that Wise have treated Mr M unfairly or unreasonably in closing his account and declining to reactivate it. Because of that, I'm not asking them to do anything.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 27 March 2024.

Thom Bennett
Ombudsman