

The complaint

Mr K complains that Wise Payments Limited closed his accounts.

What happened

Mr K had personal and business accounts with Wise. Mr K has explained that he used the accounts to receive money from his business and to send funds to friends and family across Europe.

My decision deals with Mr K's personal accounts.

On 26 June 2023 Wise made the decision to close Mr K's account, it wrote to him to explain that his account would be closed. On the same day Mr K withdrew the remaining funds from his account wallets to an external account.

Mr K made a complaint about the account closure to Wise. Mr K believes the closure is unfair as he says he hasn't violated any rules in relation to the account, and hasn't had any claim or complaint about the account. He's explained that this has had a big impact on him as it's the only way he can send money to friends in Europe.

Wise wrote to Mr K to explain that it had the right to deactivate his account on the basis of its terms of use, and regulatory obligations. It cannot provide Mr K with any further reasoning.

Unhappy with Wise's response, Mr K brought the complaint to our service where an investigator looked into what happened. The investigator reviewed everything and said Wise was entitled to block, review and close the account in line with its obligations. So, they were satisfied Wise's decision to close the account was a fair one.

Mr K disagreed. He explained he feels Wise have violated his rights as there were no complaints about his wallet. He didn't consider there to be a reason for the block, and he reiterated that he'd followed all of Wise's terms and conditions.

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.

Our rules allow us to receive evidence in confidence. We may treat evidence from banks and financial businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Wise has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr K, but I'd like to reassure him that I have considered everything.

Financial businesses in the UK, like Wise, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. Wise are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means Wise

need to restrict, or in some cases go as far as closing, customers' accounts.

I've looked at the reasons Wise reviewed Mr K's account, and I'm satisfied it did this in line with its obligations.

Wise is entitled to close an account just as a customer may close an account with it. But before Wise closes an account, it must do so in a way, which complies with the terms and considers of the account.

The terms and conditions of the account, which Wise and Mr K have to comply with, say that it could close the account by giving at least two months' notice. And in certain circumstances it can close an account immediately, or with less notice.

Having looked at the information given to me by Wise, I'm satisfied that it was entitled to close the account the way that it has done. It provided Mr K with the full two months' notice period. I know Mr K would like to know what the reasons are, but as I've said, the information given to me by Wise is such that we consider it should be kept confidential. In making the decision to close the account Wise also ended its banking relationship with Mr K, which I consider to be fair and in line with its terms and conditions.

Whilst I understand Mr K has suffered inconvenience in not having the account, it wouldn't be appropriate for me to ask Wise to reopen Mr K's account or award compensation.

In summary, I know this will be disappointing for Mr K, but with the information and evidence I've seen I won't be asking Wise to do anything more to resolve the complaint.

My final decision

For the reasons I've explained, 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 K to accept or reject my decision before 17 January 2025.

Simon Yates
Ombudsman