

## **The complaint**

Mr M complains that Wise Payments Limited closed his account. He'd like the account reactivated to allow transactions for his business.

## **What happened**

Mr M had an account with Wise. He explained this was set up to support his business as a web developer.

However, shortly after the account was opened Wise carried out a review. As part of the review they contacted a customer who was attempting to send funds to Mr M. But they weren't satisfied with the response, so on 3 July 2023 they decided to close Mr M's account.

Mr M complained to Wise, but after telling Mr M they'd review his complaint Wise stopped responding. Unhappy with Wise's lack of response Mr M brought his complaint to our service.

One of our Investigators looked into Mr M's complaint – they asked Wise to share their reasons for closing Mr M's account, but Wise didn't respond. Based on the lack of evidence supplied by Wise, our Investigator concluded that Wise hadn't acted fairly in closing Mr M's account. They recommended that Wise pay Mr M £100 in compensation and 8% interest on any funds remaining.

Mr M accepted, but Wise didn't. And they responded with evidence showing their reasons for closing Mr M's account.

On reviewing the new evidence our Investigator reached a different conclusion. They thought Wise had complied with the terms and conditions of the account when closing it. And although Wise advised there was a very small balance remaining, less than £0.01, they accepted it wasn't possible for this to be released to Mr M. So, they didn't ask Wise to do anything further.

Mr M didn't accept our Investigator's outcome – in response he said that he didn't violate any terms or conditions, and he can't understand why his account was closed. He added that it was vital for his business to have access to Wise's services to receive payment from clients.

As Mr M didn't agree it's 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.

DISP 3.5.9R(2) states that an ombudsman may accept information in confidence (so that only an edited version, summary or description is disclosed to the other party) where the ombudsman considers it appropriate.

Wise made its submission in confidence. Our rules permit this; it's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it.

Here, the information (and its source) is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Wise has treated Mr M fairly. So I'm persuaded I should take it into account when deciding the outcome of the complaint.

Wise are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They're also required to carry out ongoing monitoring of new and existing relationships. Wise can only close accounts in certain circumstances and if it's in the terms and conditions of the account. I've reviewed the terms and conditions of Mr M's account which state:

'25.2 We may suspend or close your Wise Account without notice in certain circumstances. We may at any time suspend or close your Wise Account and/or end this Agreement 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'.

I've considered the evidence that Wise have shared with our service in confidence, and I understand this will disappoint Mr M, but having done so I'm satisfied they've applied their terms fairly. It follows I think Wise acted fairly in closing Mr M's Wise account without notice. And I won't be asking them to reopen it, or do anything further.

### **My final decision**

My final decision is I don't 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 22 November 2024.

Jeff Burch  
**Ombudsman**