

## **The complaint**

Mr A is unhappy about the time taken and the banks used by Wise Payments Limited for his international money transfer.

## **What happened**

Mr A's money was delayed for a couple of months during the transfer. Mr A said this was because Wise didn't carry out the transfer correctly and it used the wrong banks to transfer the money. As agreement couldn't be reached between the parties Mr A brought his complaint to this service.

Our investigator didn't uphold the complaint. He said the records showed that Wise hadn't made a mistake. Mr A was insistent that Wise had used the wrong correspondent bank - Bank M to pass the money on to his receiving bank – Bank D. But our investigator said the details provided showed Bank D was an appropriate option for Wise to use through the SWIFT payment system.

Mr A didn't accept this and asked for his complaint to be passed to an ombudsman for a final 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.

Mr A asked Wise to initiate a payment transfer for him in the sum of 3,772.07 EUR to his beneficiary Bank D. He said that Wise used the wrong bank (Bank M) when it should've used Bank C as he said this was the formal USD beneficiary correspondent bank. Mr A said because a different banking transfer route had been used his money had been delivered to an unknown final beneficiary bank and not his account. Mr A said this led to the transfer failing to arrive and remaining in the unclear payments account in a currency different to the currency of his beneficiary account. Mr A said the money would remain there forever until the transfer instruction is rectified.

Mr A said Wise hadn't delivered the payment properly and hadn't tracked it properly. He said Wise was trying to be deliberately misleading to evade responsibility for the payment. Mr A said he'd had no guarantees from Wise about recalling the transfer and it later said the transfer couldn't be recalled at all.

Mr A is adamant that Bank B is the wrong beneficiary bank and Wise had used the wrong route for his transfer. He wants Wise to pay his additional costs and compensation for its mistakes.

Wise for its part confirmed it's an international money transfer platform that offers money remittance service and a multi-currency borderless account for sending and receiving money.

Wise accepts that Mr A wanted to use a specific intermediary bank with SWIFT and that it didn't use the specific bank.

Wise did accept that the payment was briefly paused for a sanctions review but as the system found no issues the payment went through quickly and was sent out by Wise's partner bank – Bank C - almost instantaneously. However, the next day there was a request for further information about the payment and the sender and Wise dealt with this within the next business day (although it said it had five working days).

Wise said Mr A got in touch around 10 days later to say the payment hadn't been received. Wise's payments operations team put out a trace request to Bank C and it came back a few days later to confirm the intermediary bank had processed the payment. It did accept there was a couple of weeks delay here in information being relayed to Mr A.

Wise was adamant that it doesn't support customers selecting an intermediary bank as it may use different partner banks in different parts of the world and those banks may not be able to use specific intermediary banks. In this case Bank C chose Bank M and it in turn could've used an additional intermediary bank to ensure the payment reached Mr A's Bank D.

Wise is clear that it has no information as to why Bank M didn't process the payment after that. It assumed that within Bank M had the transfer had to undergo some internal checking. The request for information it sent to Bank C was dealt with by the next working day, so Wise hadn't delayed the transfer as far as it was concerned. The funds were no longer under its control after it left Bank C.

Wise accepts, in line with part of Mr A's complaint, that it did mistakenly offer a recall of the funds as the trace it had already done had shown that the funds had been transferred successfully as requested.

Wise concluded by saying it was satisfied it had assisted Mr A to the best of its abilities. It said it handled the transfer from its end within the normal timeframes and according to its customer agreement. It said the matter had been thoroughly investigated, and it had carried out its contractual obligations successfully.

Based on the information provided I need to consider if Wise made any mistakes and if it acted fairly and reasonably in the way it handled Mr A's transfer.

I don't think Wise did anything wrong in the way it handled the transfer.

The money did end up in the account required by Mr A.

I accept it took a long time, but I don't think that delay is anything to do with the actions taken by Wise. It appears to me that the problems arose once the transfer had been passed to Bank M, the recipient bank for Bank D – Bank D being the bank that held Mr A's account that he wanted the money paid into.

Mr A said that Wise used the wrong back to pass funds through, but I accept that Wise need to follow transfer arrangements laid down through SWIFT and recipient bank requirements rather than use a specific bank. From the details this service has seen the bank used was in line with the SWIFT system requirements.

It's clear that some of the delay was due to the United States of America's Consumer Financial Protection Bureau wanting to review the transfer when it was with Bank M. International transactions of this type are screened within the American financial system. So,

these funds were placed into an internal operating account for further investigation. So, I don't think I can hold Wise responsible for that as part of Mr A's transfer.

I think Wise acted fairly and reasonably when making the transfer. I don't think it made any mistakes that would lead me to make an award.

### **My final decision**

I don't uphold this complaint.

I make no award against Wise Payments Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 22 August 2024.

John Quinlan  
**Ombudsman**