

The complaint

Mr S complains that Wise Payments Limited closed his account without notice and without giving reasons.

What happened

Mr S opened an account with Wise on 7 December 2023. His account statement shows that he received a payment of £3,990 on 8 December and that he returned £3,900 to the sender on the same day.

On 12 December 2023 Wise deactivated Mr S's account. It did not give him prior notice of its intention to do so. When Mr S challenged Wise's decision, it directed him to its Acceptable Use Policy, which said that Wise did not support transactions for the sale or purchase of cryptocurrencies. Mr S had said that it was his intention to trade in cryptocurrencies through a peer-to-peer platform. It acknowledged that it had not dealt with Mr S's concerns as promptly as it should have done and offered him £20 by way of compensation.

Mr S remained unhappy and referred the matter to this service. One of our investigators considered what had happened and issued a preliminary assessment. He took the view that, whilst Wise should have confirmed to Mr S that it would not be upholding his appeal against the decision to close the account, its offer of £20 compensation was fair in the circumstances.

Mr S did not accept the investigator's conclusions and asked that an ombudsman review the case.

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.

I shall deal first with the decision to deactivate Mr S's account. Financial businesses can generally decide for themselves whether to provide – or continue to provide – services to any particular customer. As long as they do not act for reasons which are not legitimate (for example, unlawful discrimination), this service won't intervene. And they do not have to give reasons for their decisions.

In this case, I am satisfied that Wise did not act unreasonably in deciding to close Mr S's account.

We would expect in most cases that an account provider would give at least two months' notice before closing an account. That is usually enough time for the customer to make alternative arrangements, although a different notice period might be appropriate in some cases.

Here, Wise did not give Mr S any notice of its intention to close his account. Taking everything into account, I think that was reasonable. I also think it was reasonable for Wise

to reject Mr S's appeal against that decision, since he had indicated that he intended to use the account for transactions which Wise did not wish to support. But even if I took the view that Mr S should have been given more notice, my overall view would not change. That is because, by the time the account was deactivated, there were no funds in it. Mr S had another account and could not have used the Wise account for his stated purpose in any event. The lack of notice did not therefore cause any material inconvenience.

My final decision

For these reasons, my final decision is that I do not uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 September 2024.

Mike Ingram

Ombudsman