

## The complaint

Mr C complains that Wise Payments Limited applied additional hidden charges to his transfer which resulted in his transaction being delayed and him receiving a less favourable exchange rate.

## What happened

Mr C used his Wise account to make a transfer from his US\$ account to his GBP account with another bank. When setting up the transfer he says the only fees noted were for US\$7 which he chose to debit from his US\$ account to ensure his full transfer of US\$6,500 was made. However, a further charge of US\$25 was then applied which resulted in his transaction being paused and him missing out on a more favourable exchange rate. Mr C says he agreed to go ahead with the transaction based on US\$6,475 at the less favourable exchange rate as he needed the money to reach his GBP account.

Wise issued a final response to Mr C's complaint. It explained that when Mr C set up the transfer, he received a guaranteed exchange rate as long as the money was received within eight hours. As the money was received after this, a new exchange rate was applied. It explained that when the funds were received it had to pause the transfer for additional verification checks which it is required to undertake in certain circumstances. It sent Mr C an email requesting further details of the transfer which he provided, and the transfer was completed.

Regarding the fees charged, Wise said that the money was sent by SWIFT and additional to the US\$7 fee charged by Mr C's bank an additional intermediary bank fee was charged. It said its website had information about fees that can be charged for these types of transfers and confirmed that the fee wasn't deducted by Wise. Wise did note that its customer support team should have advised Mr C when he contacted it about the Swift fees and because of this it credited his account with £10.

Mr C wasn't satisfied with Wise's response. He said that as the broker for the payment Wise was required to inform him of any 'hidden' charges. He said the transaction was paused due to the missing US\$25 not verification checks which happened when the transaction was already on hold.

Our investigator didn't uphold this complaint. She noted the time for which the guaranteed exchange rate was provided, and that Mr C's money was received after this. She acknowledged Mr C's comment about the additional fees charged and said that Wise's website stated that sending money in a currency different from the recipient bank's currency would need to be sent by Swift and that fees can be charged. She also noted that Mr C had carried out a similar transfer in 2022 which incurred a US\$25 fee. Mr C raised a complaint about that and was sent a final response letter outlining the fees applicable to the transfer. Based on this she felt that Mr C had the information needed to make an informed decision about the transfer. She noted Mr C's complaint about how his complaint was handled and explained that we cannot consider complaints about complaint handling. But she noted the comments made by Wise about not providing the information about the SWIFT fees on the call and thought a £10 credit was a fair response to this.

Mr C didn't agree with our investigator's view. He didn't accept that it was fair to say that as he had done a transfer before, he should be aware of the fees. He said he did multiple transfers and so it wasn't reasonable for him to remember this. He didn't accept that Wise made the fees transparent on its website and said he would only see the fees when clicking on a certain link. He said he had set up a 'wire' transaction and then pressed 'continue' and wasn't given any information about additional fees.

### **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 understand that the issue with Mr C's transfer has caused him frustration and upset. But for me to uphold this complaint I would need to be satisfied that Wise had done something wrong, or treated Mr C unfairly.

Mr C set up a transfer on 24 April. He has explained that he set up a 'wire' transaction and while he was aware of a US\$7 fee being charged by his bank there was no information about any other fees being charged. I have looked at the screenshots Mr C has provided and noted his comments, but I also note that Wise's website explains that if sending a payment in a currency different to the recipient's bank currency this will need to be sent by SWIFT. It explains that SWIFT payments are also called international wires and that a fee is likely to be charged for a SWIFT transfer. Given this I find that the information was available to Mr C to understand how his transfer would be processed and possible changes relating to this.

I appreciate Mr C's comment about not recalling the details of a transfer from 2022, but I note that he did undertake a similar transfer at that time and raised a complaint about the US\$25 fee charged. Wise provided a final response letter to the complaint which explained the transfer process and fees charged and so I find it reasonable that when carrying out further transfers he would have been aware that fees could be charged and could have checked these if he was concerned.

Mr C also complained that the deduction of the additional US\$25 charged resulted in his transfer being paused and him then not receiving the guaranteed exchange rate. I have looked at the timeline of events and can see that Mr C set up the transfer on 24 April 2024 and was given a guaranteed exchange rate if the funds were received by 25 April at 06.23. Mr C was sent an email on 25 April 2024 saying that there was still an amount to pay and asking if he would rather reduce the transfer amount, pay the remaining amount or cancel the transfer. Wise has confirmed that the transaction was put on hold while it waited for Mr C to confirm what he wished to do. The time of this email was 06.21 so I can appreciate that this didn't give him time to confirm his choice before the expiry of the guaranteed exchange rate. However, as I do not find I can say the US\$ charge was applied incorrectly I do not find I can say that Wise was wrong to require confirmation of how Mr C wanted to pay this before processing his transaction.

Mr C confirmed that he wished his transaction to go ahead with US\$6,475. Unfortunately, by this point the guaranteed exchange rate had expired. While I can understand that this was annoying for Mr C, as I do not find I can say Wise did anything wrong regarding the additional charge and requiring authorisation before proceeding, I do not find I can say it did anything wrong in this process. Mr C was sent an email informing him that the exchange rate had changed, and he would need to approve the new rate. Given the information Mr C was provided with I find he was able to make an informed decision about whether he wished to continue with the transaction based on the new exchange rate. Mr C chose to complete the transaction knowing the amount being transferred and the exchange rate, and so I do not

find I can say did anything wrong in this process.

Further verification checks were needed. Wise is required to carry out checks in certain circumstances and Mr C responded to this. This issue was resolved within an hour and didn't have an impact on the timing in regard to the guaranteed exchange rate.

Mr C has also said he wasn't provided with the service he should have when he raised his concerns. Our investigator has explained that we cannot consider complaints about complaint handling, but I can consider the service Mr C was provided with by Wise when he questioned the additional US\$25 charge. I have listened to the call provided and agree that Mr C wasn't given a clear answer as to why a US\$25 charge had been applied although it was explained that the amount Wise received was less than expected likely because of a charge applied through process. While I appreciate this was frustrating, I note that Wise credited Mr C with £10 because of this which I do not find unreasonable.

I know that my decision will be disappointing for Mr C but based on the evidence received I do not uphold this complaint.

### **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 C to accept or reject my decision before 8 November 2024.

Jane Archer  
**Ombudsman**