

The complaint

Mr A complains that Wise Payments Limited closed his account without notice and has not returned funds to him.

What happened

Mr A lives outside the UK. In July 2022 he opened a multi-currency account with Wise. He has used the account to receive and make payments in a number of different currencies, including US dollars, Euros and sterling.

In January 2024 Wise contacted Mr A to tell him that it was closing his account with immediate effect. It asked him for details of an account to which it could send the balance on the account of just over US\$5,600. Mr A provided details of his account in his home country. Wise said however that it was unable to send money to that country, which is not on the list of countries to which it could make transfers.

Mr A opened an account in a third country and provided Wise with the details. It tried to send the funds to the new account, but they were returned. Mr A says that his bank has said it cannot accept such a large transfer of funds.

Mr A asked Wise if it would temporarily reopen his account so that he can move funds from it. Wise declined to do so but said that, as an exception, it would be prepared to send his money to a third party account nominated by him. Mr A said he was unwilling to agree to that, not least because his family and trusted friends are in his home country, to which Wise will not send funds.

When Mr A referred the matter to this service, one of our investigators considered what had happened and issued a preliminary assessment. She did not however recommend that the complaint be upheld. Mr A did not accept that assessment 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.

Mr A appears to accept that Wise was entitled to close his account, and I agree that is the case. It is for account providers to decide whether they are willing to provide, or to continue to provide, an account to any particular individual; this service won't generally intervene in such decisions, as long they are not made for reasons which are not legitimate.

Wise has explained to the ombudsman service – in confidence, as our rules allow – why it took the decision to close Mr A's account, and I am satisfied its reasons were legitimate. In the circumstances, I believe too that it was reasonable of Wise to close the account with immediate effect.

I turn then to the return of the funds on the account. Wise's website provides a list of countries to which it can make transfers and a list of currencies in which it operates. Mr A's home country is not on the first list, and Wise has explained that it does not hold the necessary licence to enable it to send money there. It has no immediate plans to obtain one.

Mr A says that, since the money in his account was transferred from his home country, it should be possible to return it there. I can understand his view, but I don't believe it follows that, if Wise can receive money from a country, it should be able to send it there as well. Different permissions are involved.

Wise has suggested possible solutions to enable it to return the money to Mr A. It is unfortunate that the third country bank appears unable to accept the transfer, but I do not believe I can fairly hold Wise responsible for that. And I can understand why Mr A might be unwilling to have funds sent to a third party. That was a suggestion which Wise made to try to resolve the situation, but I don't believe I can properly require it to do any more. I therefore simply leave it to Mr A and Wise to find a solution which works for both of them.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 January 2025.

Mike Ingram

Ombudsman