

## **The complaint**

Ms T complains Wise Payments Limited (“Wise”) closed her account without notice nor explanation.

Ms T says Wise’s actions have caused her substantive financial loss, distress, and inconvenience.

## **What happened**

This decision only deals with Wise closing Ms T’s personal account. Any complaints where the complainant is a separate legal entity, like a limited company, must be handled separately. Ms T’s complaint point about Wise unfairly holding her responsible for a debt will not form part of this decision for the reasons our Investigator has explained to her.

The details of this complaint are well known by both parties, so I won’t repeat them again here in detail. Instead, I’ll focus on setting out some of the key facts and on giving my reasons for my decision.

Following a review, Wise restricted Ms T’s access to her accounts in December 2023. Wise closed Ms T’s account with immediate effect in February 2024. Ms T says Wise has done so unfairly as the person she sold her vehicle to through a social media site had maliciously raised a false fraud claim against her – which led a series of blocks and closures on most of her accounts.

Unhappy Ms T complained. Wise didn’t uphold Ms T’s complaint saying it had closed her account in line with its terms and obligations. And it couldn’t give her any more information about why it did so.

Ms T referred her complaint to this service. One of our Investigator’s looked into Ms T’s complaint, and they recommended it wasn’t upheld because Wise had acted in line with its terms of account and done so fairly.

Ms T didn’t agree. She argues that her personal debt with Wise is one of the reasons it closed her account, as well as the malicious fraud report made against her when she legitimately sold a vehicle to help fund her business.

As there was no agreement, this complaint has been passed to me to decide.

## **What I’ve decided – and why**

I’m very aware that I’ve summarised the events in this complaint in far less detail than the parties and I’ve done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I’ve focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything Ms T and Wise have said before reaching my decision.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I have decided not to uphold this complaint. I'll explain why.

Firstly, I know Ms T continues to feel that the debt Wise are holding her liable for forms part of this complaint. But as I've already said, for the reasons our Investigator has explained, this needs to be looked at separately particularly as they need to determine if it's a complaint we can consider under the rules that apply.

Financial businesses in the UK, like Wise, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means Wise needs to restrict, or in some cases go as far as closing, customers' accounts.

Wise has explained why it reviewed and restricted Ms T's account. Having carefully considered this, I'm satisfied Wise has done so in line with its obligations.

Wise is entitled to close an account just as a customer may close an account with it. But before Wise closes an account, it must do so in a way, which complies with the terms and conditions of the account. The terms and conditions of the account, which Wise and Ms T had to comply with, say that it could close the account by giving her at least two months' notice. And in certain circumstances it can close an account immediately or with less notice.

Wise closed Ms T's account with immediate effect. To show why it made this decision, Wise has sent me an explanation and supporting evidence. Having carefully considered this, I'm satisfied Wise acted in line with its terms and conditions, its obligations, and has done so fairly.

In reaching this finding I do accept that Wise could have done more in terms of due diligence with certain aspects of its review. But overall, given the evidence I've been presented with, I'm satisfied it hasn't done anything wrong in closing the account in the way it did.

I know Ms T would like a detailed explanation, but Wise is under no obligation to do so. I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from regulated businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Wise has provided is information that we considered should be kept confidential.

As I don't think Wise has done anything wrong, I see no basis for it to award any compensation to Ms T for any financial loss, distress, or inconvenience she has suffered.

### **My final decision**

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 6 January 2025.

Ketan Nagla  
**Ombudsman**