

The complaint

Mr F complains about the service he received when making a currency conversion and international transfer of around £60,000 through Ether Services Ltd ("Ether") to his bank account in the UK. Mr F says Ether failed to complete the transfer or return the funds and as a result is out of pocket.

What happened

On 8 May 2024 Mr F says he transferred AED 275,400 to Ether – a money transfer agency - over two transactions and that it promised to transfer £60,000 to his UK account within 24 hours. Mr F says despite sending the funds to the account provided by Ether they have still yet to be received into his account.

Mr F's bank statements show that he made one transfer of AED 150,000 (ref ending 6533) from his current account on 8 May and the other from his savings account for AED 125,400 (ref ending 7903) on 9 May. The two totalling AED 275,400.

Mr F has provided a confirmation from Ether that a contract had been entered into on 21 May (to send AED 103,270 = £22,450) and 24 May (to send AED 172,730 = £37,550) and that Mr F will receive for both transactions £60,000.

Mr F complained to Ether that it failed to complete the transfer despite him providing an outward remittance confirming the credit. Mr F says Ether has failed to assist him in trying to find out what is happening and that he is being ignored and that on 11 June it blocked his number.

Ether says it received notification of the transaction and that it conducted its due diligence process in accordance with regulatory requirements including verifying Mr F's ID but that it never received the funds and that the correspondent it uses in the UAE also confirmed that the funds had not been received from Mr F's account and so there was nothing to transfer.

Ether says it is in regular contact with its correspondent but as the funds haven't been credited to its account and without approval from the correspondent it is unable to credit the funds to the beneficiary in the UK. Ether advised Mr F to continue tracking the transactions with his bank in the UAE as they are responsible for the transfer.

Mr F says he tried to put a recall through the sending bank on one of the transactions, but it said that the response it got from the beneficiary stated that the customer was refusing to return the funds and so it directed Mr F - the remitter – to contact the beneficiary directly.

Mr F was dissatisfied with all this and so brought his complaint to this service. Mr F provided a copy of the outward remittances from his bank showing that he sent the funds above to the account details provided by Ether which he says is proof it has the funds.

One of our investigator's looked into Mr F's concerns and thought that based on what they'd seen it was more likely than not that Ether's correspondent had received the funds from Mr F and that it should complete the transfer as it had been agreed and send £60,000 to Mr F's UK bank account along with £500 compensation for the trouble and upset this has caused.

Ether disagreed. It says the funds have not been received by its correspondent and that it cannot proceed with any disbursement until it has evidence within its internal system showing that the funds have been credited.

Mr F provided further video evidence showing:

- a screen recording of the conversation Mr F had with Ether's director of business including the rate offered for the transaction, the correspondent bank information (including account details for crediting funds) and Ether conducting its due diligence by obtaining Mr F's ID and proof of address;
- a screen recording of Mr F logging into his banking app and email account showing confirmation that both transfers were successfully credited to the account provided by Ether; and
- a screen recording showing that a recall request was made by his bank and denied by the recipient - Ether;

This evidence was provided to Ether for comment. Ether was asked to provide information to support its position of non-receipt by providing:

- a copy of a bank statement of the account Mr F was instructed by it to send funds to;
- evidence of searches completed by its correspondent in the UAE for the funds; and
- any conversations or correspondence it had had with its correspondent or any screenshots of system notes or ledger confirming details/status of remittances.

I issued my provisional decision on 27 November 2024. In my provisional decision, I explained why I was proposing to uphold Mr F's complaint. I invited both parties to let me have any further submissions before I reached a final decision. Ether has responded but hasn't provided any new information or any of the evidence requested above or anything to show that it didn't receive Mr F's two fund transfers.

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.

In my provisional decision I said that:

"My role is to look at the problems Mr F has experienced and see if Ether has done anything wrong. If it has, I would seek – if possible - to put Mr F back in the position he would've been in if the mistakes hadn't happened and I may award compensation that I think is fair.

After considering all the evidence carefully of which Ether has been given the opportunity to look at and respond to but hasn't, I'm currently minded to uphold Mr F's complaint.

I'm satisfied that Mr F entered into a contract with Ether to transfer around AED 275,400 to

the bank account of which the details were provided by Ether and in return Mr F would receive an exchange rate of 4.60 receiving £60,000 into his nominated UK bank account.

Mr F satisfied Ether's due diligence checks and carried out what was required at his end by transferring the funds agreed upon to the bank account provided by Ether, but Ether has failed to credit Mr F's account by the agreed amount and as a result Mr F is out of pocket by a significant amount.

Furthermore, Ether provided poor service to Mr F as it has failed to support Mr F in the recovery of his funds or indeed, engage properly or provide anything of use to this service to aide the resolution of Mr F's complaint."

Throughout the investigation into Mr F's complaint Ether has maintained its position that its correspondent hadn't confirmed receipt of the funds. But the only evidence it has provided to support this position is a letter purporting to be from its correspondent saying it hadn't received the funds – but with the Director of Ether's contact details on the footer of this letter. So it appears to me both Ether and its correspondent are one and the same.

In any case Ether hasn't provided any further evidence or arguments for consideration as requested, so I see no reason to depart from the conclusions set out in my provisional decision and it follows that I uphold this complaint.

Putting things right

- Ether should pay the amount of £60,000 to Mr F;
- plus interest of 8% from 25 May 2024 to the date of settlement; and
- £500 compensation for the distress and inconvenience caused by the poor service received from Ether.

My final decision

For the reasons I've explained, I uphold Mr F's complaint and direct Ether Services Ltd now pay the amount awarded above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 9 January 2025.

Caroline Davies
Ombudsman