

The complaint

Mr G is unhappy Wise Payments Limited closed his account.

What happened

Mr G held a Wise account which opened in September 2017. Mr G used this account to make international transfers.

On 17 June 2024 Mr G attempted to make a transfer to the Philippines. The transfer was taking longer than anticipated and Mr G raised concerns with Wise. In response to Mr G's complaint Wise said it was closing his account – with it being deactivated immediately.

Mr G raised a formal complaint against Wise about its handling of his account. In its final response letter Wise said that the decision to close Mr G's account was made in line with its Customer Agreement and referred Mr G to its Acceptable Use Policy. Wise explained its internal teams have thoroughly reviewed all the information Mr G had provided, but that Mr G's use of his account exceeded its risk appetite.

Unhappy with Wise's response Mr G referred his complaint to our service. In his complaint Mr G said that Wise had claimed he was in danger of being romantically scammed as he had been sending funds to the Philippines. Mr G says Wise has wrongly deemed his account activity to be outside its risk tolerance. Mr G says the inadequate due diligence by Wise had a detrimental impact as he was unable to make quick international transfers for emergencies in Philippines as he has been helping support families there. To put things right Mr G asked for Wise to apologise for making incorrect assumptions without evidence to corroborate its views and pay compensation to the families affected by its actions.

An Investigator reviewed Mr G's complaint, and in summary, made the following findings:

- Wise is under no obligation to continue offering Mr G an account as this is a commercial decision it is able to make.
- Wise has shared with this service in confidence how it reached the decision to close Mr G's account, and no error has been made.
- Wise's questions to Mr G were not intended to cause offence, but necessary as Wise wished to ensure Mr G was not the victim of scam.
- Wise didn't act unfairly in finding Mr G's account to be outside its risk tolerance.

Mr G remained unhappy and maintained Wise had acted unfairly and had failed to properly respond to his complaint and provide adequate evidence to support its decision.

As no agreement could be reached, the case has been referred to me – an ombudsman – for a final decision.

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.

Firstly, I am sorry to see Mr G has had cause for complaint. I can see he has found Wise's actions highly unacceptable. Mr G has made detailed submissions, and I'd like to reassure Mr G that I've considered the whole file and what's he's said. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

The crux of Mr G's complaint is that Wise unfairly closed his account. Wise has legal and regulatory obligations to be alert to instances of fraud and scams. And to act in their customer's best interests. If they have good grounds to suspect that one of their customer's is in the process of being scammed or unwittingly allowing their accounts to be used for financial crime, they can refuse to process payments and restrict an account to protect them. The terms and conditions of the account also permit them to do so.

I've looked at all the evidence Wise has provided and what Mr G has said about how he was using his account. Wise's review of Mr G's account included an analysis of the transfers Mr G had made to individuals and some of which were for medical emergencies. Having looked at everything, I can understand why Wise had concerns based on the information Mr G did provide and the activity on his account. And I don't think the decision to close Mr G's account was unreasonable in these circumstances. I believe the decisions Wise took, were made in good faith and in an effort to protect Mr G against losing his money to a potential scam. So I don't think it was wrong of Wise to suspend and close Mr G's account.

Mr G says he has provided Wise with significant pieces of evidence to support his version of events – he is not the victim of a scam, and he has legitimate connections to the individuals he is sending money to. I agree Mr G has provided extensive information in the form of invoices alongside other communications regarding the medical procedures Mr G was paying for. Wise found the information adequate to allay its concerns and maintained the usage of the account was outside its risk tolerance.

A significant part of Mr G's complaint is that Wise's risk tolerance shouldn't be a reason for the account closure, and it hasn't properly explained what factors it considers. Wise isn't under an obligation to provide specific details to Mr G of how it reached its decision and the factors that influenced it. Ultimately Wise is entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Wise should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly. As long as they reach their decisions fairly, it doesn't breach law or regulations and is in keeping with the terms and conditions of the account, then this service won't usually intervene. They shouldn't decline to continue to provide banking services without proper reason, for instance of unfair bias or unlawful discrimination. Based on the evidence provided by Wise I am satisfied it has reached this decision fairly, taking into account its risk guidance and regulatory considerations.

Mr G has also raised general points about how Wise has behaved and how it has responded to his concerns – such as the level of detail included in responses and how emails are signed off. Some of Mr G's points also concern the overall operation of Wise and how it manages accounts. It is the role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. We do not perform the role of the

industry regulator, and it is not our role to comment on how businesses conduct their operations. That's the role of the regulator, the Financial Conduct Authority (FCA). For these reasons I won't be responding to Mr G's comments about the way Wise operates on a general level and how it chooses to run its complaints process.

Mr G says Wise should issue an apology and compensate those affected by the closure. I appreciate Mr G's strength of feeling regarding the impact of the closure, but in order for me to direct Wise to pay compensation I need to find that it has treated Mr G unfairly - but for the reasons explained above, I find Wise's decision to be a fair exercise of its commercial discretion.

I know this will not be the outcome Mr G was hoping for, and he will be disappointed with the decision I've reached. But I hope my decision provides some clarity around why I won't be asking Wise to take any further action.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 10 July 2025.

Chandni Green
Ombudsman