

The complaint

Mr A complains that Wise Payments Limited (Wise) unfairly closed his account without providing a proper explanation.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr A had an account with Wise which he opened in 2019.

In September 2024, Mr A received a payment into his account. To comply with its legal and regulatory obligations Wise decided to review Mr A's account. As part of its review Wise asked Mr A to tell them why he had received the payment. And to provide information about him including his address. Whilst it reviewed Mr A's account Wise blocked the account.

In response, Mr A explained to Wise that the money he received was his salary for work he'd done for his company that was based in the USA. Mr A also sent Wise copies of another bank statement and utility bills to verify himself.

Wise reviewed everything and following this it decided to close Mr A's account immediately. Wise wrote to Mr A to let him know it was deactivating his account in line with the terms and conditions.

Mr A appealed to Wise and asked them to review its decision. He said he had always used his account properly and asked Wise why it no longer wanted him as a customer. Wise reviewed everything again but maintained its position. It released Mr A's closing balance to him on 15 October 2024.

Mr A complained to Wise. He said Wise had treated him unfairly when they closed his account and being without access to his funds had caused him a lot of problems. In response, Wise maintained its position that it had closed Mr A's account in line with the terms and conditions of the account. And that it didn't have to provide Mr A with an explanation.

Mr A remained unhappy and brought his complaint to our service where one of our investigators looked into what had happened. After looking at all the evidence the investigator didn't uphold Mr A's complaint. In summary they said Wise had closed Mr A's account in line with the terms and conditions. And didn't have to provide Mr A with an explanation for why it no longer wanted him as a customer.

Mr A disagreed. In summary he said:

- He had used his account properly so Wise had no reason to close it.
- He wants Wise to provide a proper explanation for why it no longer wants him as a customer.
- He complied with Wise's requests for information and explained how he was using his account. So, Wise shouldn't have blocked and closed his account.

- He wants to know what is wrong with the information he provided and compensation for the trouble and upset he's been caused.

As no agreement could be reached the matter has come to me to decide.

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 would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Wise has treated Mr A fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

As the investigator has already explained, banks and financial business in the UK, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. That sometimes means Wise need to review, or in some cases go as far as blocking and closing customers' accounts.

I want to make it clear that I understand why what happened concerned Mr A. I've no doubt it would've come as quite a shock to him, and he would've been very worried to find out that his account had been blocked. But I've also considered the basis for Wise's review, which includes looking at the information Wise has shared with our service in confidence, when deciding whether Wise treated Mr A fairly.

As the investigator has already explained, Wise has important legal and regulatory obligations it must meet when providing accounts to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. This sometimes leads accounts being closed, and funds in accounts being withheld from account holders. The terms and conditions of Mr A's account also make provision for this.

Having looked at all the evidence, and circumstances I'm satisfied that Wise have acted in line with the terms and its legal and regulatory obligations when it blocked Mr A's account and asked him to provide information about the money paid into the account and to verify his address. So, I don't find Wise treated Mr A unfairly.

It's generally for banks and financial businesses to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank or financial business must keep customer or require it to compensate a customer who has had their account closed.

Wise have relied on the terms and conditions when closing Mr A's account. I've reviewed the terms, and they explain that Wise can close an account for any reason by giving two months' notice. In certain circumstances, Wise can also close an account without notice, which is what has happened here.

For Wise to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence that Wise has provided, including the information Wise has provided to this service in confidence, I'm satisfied that Wise did. And that it was entitled to close Mr A's account as it's already done. So, it would not be appropriate for me to ask Wise to pay Mr A compensation since I don't find Wise acted inappropriately when it closed his account. And I won't be asking Wise to reopen Mr A's account.

I understand of course why Mr A wants to know the exact reasons behind Wise's decision to close his account, other than what he's been previously been told. And I can see that Mr A has asked Wise to explain itself on several occasions. But Wise doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr A the reasons behind the account closure, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr A this information. And it wouldn't be appropriate for me to require it to do so now.

I appreciate that Mr A has supplied Wise with several documents. And that not having access to the funds has made things difficult for him financially. I've seen the documents Mr A provided to Wise. I know Mr A wants to know if there was problem with the documents he provided Wise. But I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for several reasons – for example, if it contains information about other customers, security information or commercially sensitive information. Some of the information Wise has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr A, but I'd like to reassure him that I have considered everything. Having done so I don't find Wise's concerns about Mr A's documents were unreasonable.

In summary, I recognise how strongly Mr A feels about what's happened. I don't doubt it has been a frustrating and worrying time. So, I realise Mr A will be disappointed by my decision. But overall, based on the evidence I've seen, I can't say Wise have acted unreasonably and treated Mr A unfairly when it asked Mr A for information and closed his account.

My final decision

For the reasons I've explained, 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 A to accept or reject my decision before 29 September 2025.

Sharon Kerrison
Ombudsman