

## The complaint

Mr C complains that Lloyds Bank plc incorrectly advised him on how money could be sent to Australia leading to a financial loss.

## What happened

Mr C needed to make a payment to his sister's account in Australia. His sister sent details of her account with another financial institution which showed the BIC/SWIFT code and account number as well as the account type - GBP Foreign Currency Account.

Mr C visited a branch of Lloyds where he was taken through the application to send funds overseas. Unfortunately, a copy doesn't exist of the form Mr C completed. When asked what currency he'd like to send the money in, Pounds Sterling (GBP) or Australian Dollars (AUD), he chose to send the money in AUD. Lloyds completed the transfer according to Mr C's instructions but this was returned by Mr C's sister's bank as it couldn't apply AUD to her sterling account. The return incurred a foreign exchange loss and additional fees totalling approximately £1,400. Mr C complained to Lloyds and said he should be refunded the loss he'd suffered because of its incorrect advice.

Lloyds sent Mr C its final answer on 9 December 2024 saying it hadn't made an error and so wouldn't be refunding the exchange rate loss or fees. It explained the branch colleague to whom Mr C had spoken correctly explained the options available and Mr C had chosen to send AUD to his sister. It therefore said the correct procedure had been followed. Mr C disagreed with Lloyd's answer and referred his complaint to this service where one of our investigators considered its merits.

Our investigator concluded that Lloyds hadn't made any errors and so wasn't upholding the complaint. In summary, they said Lloyds had correctly advised the payment could be sent in AUD or GBP and asked Mr C what currency he wanted sent. Mr C confirmed AUD. So, they said it was Mr C's choice to send AUD and the resulting loss would have to be borne by him. Mr C disagreed with the investigator and made the following statements:

- The Lloyds adviser had seen a copy of the account opening confirmation letter and was therefore aware that the account to which the money was being sent was a GBP account.
- If Lloyds hadn't advised the funds could be sent in AUD or GBP then he would've sent the transfer in GBP and he wouldn't have incurred a loss.

Our investigator questioned why if Mr C knew his sister's account was held in GBP, he sent the money in AUD. He said it was because Lloyds incorrectly advised him the funds could be sent in either currency and, as this was the first international payment he'd made, he relied on the advice he was given. Mr C also said he believed Lloyds' actions had breached principle six of the Financial Conduct Authority's (FCA's) principles of business which says a business must treat its customers fairly and pay due regard to the interests of its customers. Our investigators view remained unchanged and so it's been passed to me for a 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.

Whilst I realise this will come as a disappointment to Mr C, I don't intend to uphold his complaint. I hope the explanation which follows will help Mr C to see how I've reached my conclusion.

The first thing to say is that as the completion of the transfer instruction took place in a branch, there is no contemporaneous evidence to look at or listen to. So I'm relying on the testimony of both Mr C and Lloyds.

Mr C went into a Lloyds branch and asked to make an international payment. He's said this was the first international payment he'd ever made and so was reliant on Lloyds to guide him through the process. I don't doubt that was the case. Mr C says he took with him the account opening confirmation sent to him by his sister and again I have no reason to doubt he did – how else would Lloyds have known the details of the bank and account to which the money was to be sent.

Our investigator said Lloyds wouldn't have known the account in Australia was a GBP account. Having looked at the account opening confirmation, I see there is a line which says the account type is GBP foreign currency account. And so, I do think Lloyds may, or should, have been aware of the account type. I say this because Mr C says the adviser was given the letter.

This then leads me to the questions upon which this case revolves. Firstly, if the adviser was aware that the recipient account was in GBP, should they have mentioned the possibility of sending the money in AUD? And secondly, did the adviser give advice on what currency to send the money in or did they give Mr C the options available?

Mr C says he wouldn't have ever considered sending the money in anything other than GBP if the adviser hadn't mentioned the options. I accept that. But, given there's a question on the transfer form asking which currency the customer wants to make the payment in, I think it's entirely fair and reasonable that the adviser asked that question and made Mr C aware of which currencies the funds could be sent in.

Based on all I've read, I believe that's what happened. The adviser told Mr C he could send the funds in either AUD or GBP. And Mr C chose to send AUD. So, I don't find the adviser did anything wrong by mentioning AUD.

Turning to the second point, it's not in dispute that Mr C gave Lloyds the instruction to send the money in AUD. But Mr C says that was only because he was advised to send AUD.

I'm very conscious of the way the word advice is being used and so I think it's useful for me to define how I'm using it. Advice is, for me, guidance or a recommendation being given. So, in this context, I've asked myself did the adviser guide or recommend Mr C to send AUD or did they set out the options available?

I think the adviser went through the transfer form asking Mr C the questions as they appeared. And I think when the question came up about what currency the transfer should be made in, the adviser told Mr C it could be sent as either AUD or GBP. Mr C accepts he was given that information. I don't consider the information given to Mr C was incorrect. Because money to Australia can be sent in either currency. And I don't think the adviser was wrong to mention them both.

But what the most appropriate currency is for any given transaction must be the customer's decision. And I think the adviser gave Mr C information from which he made his choice. If Mr C was aware his sister's account was in GBP, I'd have expected him to question why he'd want to send the money in AUD. But there's no evidence from either Mr C or Lloyds that a conversation along those lines took place.

So, on the balance of probability, I think the adviser gave information not guidance or a recommendation. And Mr C acted on that information. And, that being the case, I don't believe Lloyds gave advice and so aren't responsible for Mr C's losses.

Mr C raises the point of Lloyds breaching principle six of the FCA's principles of business. But as that wasn't part of the original complaint to Lloyds, I can't comment on that point in this decision.

### **My final decision**

In view of all that I've said above, 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 C to accept or reject my decision before 15 August 2025.

Stephen Farmer  
**Ombudsman**