

The complaint

Mr F complains that Wise Payments Limited trading as Wise (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 F had an account with Wise.

In June 2025, Wise decided to review Mr F's account. Following this it decided to close Mr F's account. Wise wrote to Mr F on 4 June 2025 to let him know it would be deactivating his account on 12 September 2025 in line with the terms and conditions. During the notice period Wise restricted Mr F's account, which meant he was not able to receive any credits or make payments out of the account.

Mr F 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 but maintained its position and released Mr F's closing balance to him.

Mr F complained to Wise. He said Wise had treated him unfairly when they closed his account and being without access to his account had caused him a lot of problems. He said he relied on his Wise account due to problems with financial services in his country of residence and had used the account to pay for family medical emergencies over the years. So, the account was very important to him and his family.

Mr F 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 F's complaint. In summary they said Wise had closed Mr F's account in line with the customer agreement. And didn't have to explain to Mr F why it no longer wanted him as a customer.

Mr F 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.
- Because Wise didn't tell him why it had closed his account he hasn't been given an opportunity to address any concerns Wise might have had about how he was using his account, which isn't fair.
- He complied with Wise's requests for information and explained how he was using his account. So, Wise shouldn't have closed his account.
- The deactivation of his account prevented him from paying utility bills, support family members, and made it difficult to manage day to day living expenses.
- The account provided a vital lifeline to him and his family due to the difficulties with the provision of secure financial services in his country of residence.

- The account closure meant he had to resort to using informal money exchange services to fund an important family trip, which charged exorbitant fees and was subject to unfavourable exchange rates.
- The stress of navigating these challenges has caused profound emotional strain, robbing his family of the joy of this trip.
- The investigator has favoured Wise's position over his – in other words the investigator is biased.
- To put things right he wants the account reactivated.

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 will clarify first that we are an independent dispute resolution service. That means that we do not work for either side. We are here to propose a resolution to the complaint which we find to be fair. We're not consumer champions, and we're not here to resolve the complaint solely to the satisfaction of the complaining party. We look at things impartially. Naturally, that will sometimes mean that we find more in favour of one side, and naturally that means that the other side may not get what they want. Sometimes, the complaining party is in the wrong and won't get what they want. That is part and parcel of using an independent dispute resolution service.

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 F fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

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.

Each financial institution also has its own criteria and risk assessment for deciding whether to continue providing accounts and providing an account to a customer is a commercial decision that a financial institution is entitled to take. That's because it has the commercial freedom to decide who it wants as a customer. And unless there's a good reason to do so, this service won't usually say that a bank or financial business must keep a customer. But they shouldn't decline to continue to provide an account without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

The user agreement which Mr F would have agreed to when he opened his account with Wise sets out the terms under which Wise operates the account. And these allow

Wise to limit or close an account if it wishes to do so immediately. Wise reviewed Mr F's account and identified an issue with the use of it. And it decided to permanently limit the use of the account.

Based on the information I've seen, which includes the information Wise has shared with us in confidence, I can't say Wise has acted unreasonably and treated Mr F unfairly when it decided to close his account. And I'm satisfied that Wise has followed its processes and the terms of its user agreement when closing the account. So, I don't think it's done anything wrong by permanently limiting Mr F's account. And I won't be asking Wise to reactivate Mr F's account.

I know Mr F is frustrated that he hasn't been given a detailed reason as to why Wise has done this. But it's not obliged to do so. So, I can't say it has done anything wrong in not giving him this information as much as he'd like to know. And it wouldn't be appropriate for me to require it do so now.

Having said that I can see that when Wise wrote to Mr F to let him know it had limited his account, it did provide Mr F with an explanation for its actions and referred him to its terms and conditions. So, I think it's likely Mr F had some understanding of the reason behind Wise's decision albeit not to the level of detail he would like. But as I've already said, Wise don't have to give him this information.

I've taken on board Mr F's comments and the impact he says Wise's lack of detail in its communication had on him. It's within my powers to direct Wise to put this right if I think it did something wrong here. But after considering all of the circumstances and evidence, I don't find awarding Mr F compensation would be fair or appropriate. I understand Mr F would naturally want to know the information I have weighted in order to reach this finding. But as I've set out already, I am treating this information in confidence, which is a power afforded to me under the Dispute Resolution Rules (DISP), which form part of the Financial Conduct Authority's regulatory handbook.

Furthermore, banks and financial business may have information which is confidential for a number of reasons. Wise said that it wasn't able to share any information which related to its investigation and the account closure due to it being sensitive. I think this is fair and reasonable in the circumstances. As our investigator said this information will have been shared with us and though I appreciate Mr F may find this frustrating, but I hope it gives him some reassurance that someone independent has also considered it.

In summary, I recognise how strongly Mr F feels about what's happened. I don't doubt it has been a frustrating and worrying time. So, I realise Mr F 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 F unfairly when it 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 F to accept or reject my decision before 20 October 2025.

Sharon Kerrison

Ombudsman