

The complaint

Mr E complains about the service he received from Wise Payments Limited ("Wise") when he tried to transfer money.

What happened

Mr E says that on 20 January 2025 he transferred US\$50,000 from his personal account with Wise at an agreed exchange rate to receive £40,454.54. He expected to receive the money in his UK account on 21 January 2025, but when he logged into Wise's website on 22 January 2025, he was told Wise was still waiting for the money to arrive. Mr E says he was told the same again when he logged into Wise's website on 23 January 2025. So he phoned Wise later that day. On that call he was told Wise had received the money. However, it couldn't credit his account without identification evidence ("ID"). The Wise adviser sent him a link to provide the relevant ID. She said that once the ID was received, the transaction would be completed. Mr E sent Wise the ID later that day. However Wise cancelled the transaction on 23 January 2025.

Wise has accepted it made a mistake in this case. In its final response it acknowledged it didn't send Mr E an email asking for ID before it cancelled the transaction. It offered him £100 compensation for what happened. Mr E didn't accept that as he thought that Wise should honour the agreed exchange rate. He said he lost around £600 as a result of changes in the exchange rate.

Our investigator looked into what had happened. She said Wise was entitled to ask Mr E for the ID before proceeding with the transfer given the regulations it has to act in line with. But Wise shouldn't have cancelled the transaction before it asked him for the ID. If Wise's website had displayed the correct status of the transfer (e.g. it had said it was waiting for ID) our investigator thought that Mr E would've taken action sooner. She also said that the adviser Mr E spoke to on 23 January 2025 gave him incorrect information when she said that if he provided the ID the transaction would proceed.

Our investigator thought the £100 Wise had offered Mr E was a fair and reasonable amount to cover him for the distress and inconvenience it caused when it cancelled the transaction. However, she didn't think that went far enough. She said Mr E had sent Wise the ID the same day it was requested (23 January 2025). So she thought that if Wise had sent the notification it should have, Mr E would've sent the ID to it on 21 January 2025 to allow the transfer to be completed. So the transfer would've gone through at the expected rate.

To put Mr E back into the position he was in before the mistake happened, our investigator recommended that Wise completed the transfer of \$50,000 to Mr E's UK account as intended at the exchange rate at the time of the transaction and refund any monetary difference to the sum of £40,454.54.

Wise disagreed with our investigator and asked for an ombudsman to review this complaint. It offered Mr E an extra £100 compensation for what happened (so £200 in total) but it didn't think it would be fair and reasonable for it to do what our investigator recommended. It made a number of points I'll consider below.

Mr E rejected Wise's increased offer.

So this complaint has been passed on to me to consider.

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've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so I've reached the same conclusion as our investigator. I'll explain why.

I'll begin by saying that there's no dispute that Wise made a mistake when it cancelled Mr E's transfer before it made it clear that he needed to provide the ID it needed to fulfil its regulatory requirements. I say that because Mr E wasn't sent an email asking him to provide ID before the transaction was cancelled by Wise on 23 January 2025. Nor did Wise make that clear on its website when he logged on to it on 22 and 23 January 2025.

Like our investigator I'm satisfied that Mr E would've acted promptly to give Wise the information it needed to proceed with the transfer. I say that because there's no dispute that Mr E phoned Wise to find out why his transfer had been delayed and went on to provide the ID on 23 January 2025 – the same day he spoke to Wise, and the agent sent him a link to provide the information.

For completeness I'll say here that Wise told us that it doesn't think Mr E would have provided the ID promptly if it has sent him an email asking him to provide ID before the transaction was cancelled. It referred to previous transfers that were cancelled because it wasn't sent relevant ID.

I understand Wise's point of view, but I don't think that takes account of the fact that Mr E did provide the ID on 23 January 2025 once it was explained to him that the ID was necessary for the transfer to proceed. I don't think it was fair that Mr E lost out on the favourable exchange rate he agreed for this transaction as a result of Wise's mistake.

Wise has also said that Mr E didn't co-operate with it to put matters right. It says he didn't send it details of a bank account it could return Mr E's money to him promptly. It thinks that if he'd done that he would've been able to get his money back sooner and transfer his money again at a good exchange rate. I appreciate its position on this too. However, Mr E has told us why he didn't give Wise his bank details sooner – he hoped that it would reconsider the transaction in light of his complaint. And Mr E has been clear that he wanted the money transferred at the exchange rate agreed on 20 January 2025. I don't think it would be fair and reasonable for me to say that this issue should stop him transferring the US\$50,000 at the exchange rate that was agreed on 20 January 2025.

Conclusion

Taking this matter as a whole, I think it's fair and reasonable that Wise effectively honours the exchange rate that was agreed with Mr E on 20 January 2025. That's because I think that if Wise had been clear that ID was required for this particular transaction to complete, he would've acted promptly to provide it. That's clear to me from Mr E's actions on 23 January 2025.

So, if Mr E wants to transfer the money again he should transfer US\$50,000 from his Wise account to his UK account within six months of this decision at the exchange rate available

at that time. Wise should refund any monetary difference to the sum of £40,454.54.

I've said six months above, as I think that Mr E should have a reasonable amount of time to make the transfer.

I also think Wise should pay Mr E £100 for the distress and inconvenience its handling of this matter has caused. That reflects the impact of this matter on Mr E. Mr E's transfer wasn't completed and Mr E has spent some time and effort trying resolve to resolve this matter.

Putting things right

To put matter right Wise should pay Mr E £100 for the distress and inconvenience its handling of this matter has caused.

If Mr E wants to transfer US\$50,000 from his account with Wise to his UK account within six months of this decision he should do so at the exchange rate available at that time. Wise should refund any monetary difference to the sum of £40,454.54.

My final decision

For the reasons set out above, my final decision is that Wise Payments Limited should pay Mr E £100 for the distress and inconvenience its handling of this matter has caused.

If Mr E wants to transfer US\$50,000 from his account with Wise Payments Limited to his UK account within six months of this decision he should do so at the exchange rate available at that time. Wise should refund any monetary difference to the sum of £40,454.54.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 16 October 2025.

Laura Forster
Ombudsman