

The complaint

Mr B complains Wise Payments Limited trading as Wise (Wise) deactivated his account without prior notice and recorded a fraud marker against him.

To put things right, he would like the account reinstated or explanation for closure, as well as an apology and compensation for distress and discrimination.

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 B had an account with Wise which he opened in 2023.

In March 2025, Wise decided to review Mr B's account to comply with its legal and regulatory obligations. Whilst it reviewed Mr B's account Wise blocked the account.

Wise asked Mr B to provide information about his source of wealth and his connection to several individuals which had paid money into his account. In response Mr B told Wise that he was unemployed and receiving government benefits. He also said that he received money from his family who helped him pay his rent and everyday living expenses.

Wise reviewed everything Mr B provided and decided to close Mr B's account immediately. Wise wrote to Mr B to let him know it was deactivating his account in line with the terms and conditions. And its user agreement.

Mr B 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 was deaf and therefore vulnerable. Mr B said Wise hadn't made any adjustments for him when it had communicated with him and had therefore discriminated against him when it closed his account because he wasn't able to communicate easily and explain any activity on his account.

In response, Wise maintained its position that it had closed Mr B's account in line with the terms and conditions of the account. And that it didn't have to provide Mr B with an explanation. Wise also clarified that it hadn't loaded a Cifas marker against Mr B and told him he needed to check with the fraud prevention agency to see what (if any) markers had been recorded, after it had incorrectly said it had loaded a marker when it initially responded to Mr B. Wise also said Mr B hadn't made them aware he had a disability until after he'd made a complaint. And said it hadn't discriminated against him.

Mr B 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 B's complaint. In summary they said Wise hadn't treated Mr B unfairly when it had decided to close his account. And hadn't loaded any markers against

Mr B.

Mr B 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 closed his account.
- As a deaf customer, he found it very difficult to communicate with Wise. He asked to handle everything by email or written messages, but he only received brief or automated replies that didn't explain what was happening. No reasonable adjustments were offered to help him understand or resolve the issue. This lack of support made him feel ignored and discriminated against, and caused significant stress and uncertainty after his account was closed.
- The sudden closure of his account caused serious stress and confusion — especially as his only income comes from government support. He had to explain the situation to them and urgently apply for a new bank account, but Wise didn't give him any notice or time to prepare.
- It affected his mental health and made him overthink constantly, even though he has never been involved in any fraud or wrongdoing.

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 B 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.

I want to make it clear that I understand why what happened concerned Mr B. 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 B fairly.

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 reviewed Mr B's account and asked him to provide information about his source of wealth – including his relationship

with individuals and certain transactions, so that it could better understand how he was using his account.

Wise reviewed the information Mr B provided and weren't satisfied that it fully explained the activity on the account. Having looked at the information, I don't think this is unreasonable – I say this because based on what Mr B has provided his income amounts to just over £28,000 which only accounts for 30% of the total volume transacted in the past year which amounts to just under £100,000. I can see that Wise asked Mr B for more information to explain the difference, but he didn't provide anything. So, I can understand Wise's concerns. If Wise don't receive the necessary information that they request to allay those concerns, I do not consider suspending and sending Mr B a notice that it would close his account is a disproportionate measure for Wise to take.

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.

The user agreement which Mr B 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 B'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 B 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 B's account. And I won't be asking Wise to reactivate Mr B's account.

I know Mr B 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 B to let him know it had limited his account, it did provide Mr B with an explanation for its actions and referred him to its terms and conditions. So, I think it's likely Mr B 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 also acknowledge Mr B has complained that Wise discriminated against him on the basis of his disability. In other words, it hasn't treated him fairly under the Equality Act 2010 (the Act). I've taken the Act into account when deciding this complaint - as it's relevant law – but I've ultimately decided this complaint based on what's fair and reasonable. I'm required to take into account the law, rules and regulations, codes of practice – but ultimately I decide matters based on what I think is fair and reasonable. If Mr B wants a decision that Wise has breached the Act, then he'd need to go to Court. However, based on what I've seen in this case I can't see that Mr B made Wise aware of his disability until after he'd raised his complaint. From looking at the timeline of events and how Wise communicated with Mr B I can't see that Wise treated Mr B unfairly.

In summary, I recognise how strongly Mr B feels about what's happened. I don't doubt it has

been a frustrating and worrying time. So, I realise Mr B 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 B 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 B to accept or reject my decision before 21 April 2026.

Sharon Kerrison
Ombudsman