

The complaint

Mr K complains Wise Payments Limited (“Wise”):

- Deactivated his accounts and did so without explanation nor notice
- Failed to accept confirmation of his legal name as evidenced by his UK passport
- Didn't refund his funds, despite Mr K providing Wise with external bank account details
- Didn't process his Data Subject Access Request (DSAR)
- Used several different legal names to confuse and mislead its customers
- Failed to provide him with the contract and/or agreement in writing when opening his accounts or afterwards
- Didn't explain it was not covered by the UK Deposit Insurance Scheme

Mr K says Wise's actions have caused him substantive financial loss, distress and inconvenience for which he should be compensated for.

What happened

The details of this complaint are well known by both parties, so I won't repeat them again here in extensive detail. Instead, I'll focus on setting out some of the key facts and on giving my reasons for my decision.

In October 2023, Wise asked Mr K to provide evidence of his full name including his patronymic name. A patronymic name signifies descent from the father or male ancestor. Wise say that Mr K should have a patronymic name - typically a middle name - given his heritage.

Mr K provided his British passport which shows a first and second name for him. Wise reiterated that it needed Mr K's middle and/or patronymic name. Later in 2023, Wise blocked Mr K's accounts and again asked him to provide his patronymic name.

On 9 January 2024, Mr K's payments transfers were cancelled by Wise and it informed Mr K that his account had been 'deactivated'. Mr K had three accounts with Wise – GBP, USD and EUR. Mr K had funds in his USD and EUR account.

Unhappy with Wise's actions, Mr K complained and requested his funds and card payment fees be refunded to him in January 2024. In February 2024, Wise asked Mr K for his external account details for the funds to be sent to. Wise upheld Mr K's complaint in part. In summary, Wise made the following key points in its final response:

- As a regulated financial institution, Wise needs to conduct regular routine checks. Wise asked Mr K for his full name in line with the terms and conditions of the accounts. Wise kept waiting to get information about Mr K's patronymic name but despite multiple requests, didn't get it
- As Wise could not verify the required details from Mr K, it deactivated his accounts. Wise did this in line with its terms and conditions – namely sections 6.5, 8.4, 8.5 and 8.6 of its Terms of Use

- Wise is unable to refund Mr K the Wise card order fee, and this is in line with its terms and conditions
- Wise cancelled all paused transfers at the time of the account closures, and the funds were sent back to the source accounts with Wise. When the accounts were closed, Wise held 29,710.44 USD, and 1,156.48 EUR
- Although Mr K didn't provide complete account details, Wise could have asked Mr K for the correct information before 7 February 2024. Mr K should now provide Wise with the full account details for where he wants the EUR and USD funds to be sent to. The details needed are Account holder name, IBAN/Account number, SWIFT/BIC and Bank name
- If Wise needs to convert from one currency to another, it will deduct its standard conversion fee. If Mr K is willing to receive funds in GBP, then he will need to provide relevant GBP account details
- As a regulated financial business, Wise was conducting regular routine checks and it was waiting for information from Mr K. In line with its terms and conditions, Wise isn't liable for any loss beyond its control. So Wise is unable to pay Mr K any compensation for any external loss
- Wise cannot pay Mr K £4,000 compensation that he's requested. Wise however failed to assist Mr K properly about his incorrect account details for refunding the funds, so it would like to offer him GBP 120 compensation which is more than 8% interest on the funds Wise held between 18 January 2024 and 8 February 2024

Mr K didn't agree with what Wise said and referred his complaint to this service. I'd like to assure Mr K that I have read all his submissions very carefully even if I don't set out everything in express detail here. Some of the key points Mr K made in summary are:

- Mr K provided account details for the funds he held to be sent to, and Wise said it would be done within 48 hours. But the balance in his accounts haven't been refunded
- Having saved the funds, Mr K decided to buy a property at auction on 24 January 2024. Mr K paid the deposit for the property, but as Wise failed to return Mr K's funds to him, he couldn't complete the purchase as he had to pay the remaining amount within 28 calendar days. Wise's failure in returning the funds was done deliberately to obtain unlawful enrichment.
- Wise hasn't provided the account agreement in writing either at the time of opening the account or subsequently in line with the Consumer Rights Directive. And he has been misled by Wise of its proper legal name, and his deposits weren't protected under the UK Deposit Insurance Scheme. It was the FCA who told him his funds aren't covered under this scheme in 2023. The Financial Ombudsman Service should make a public interest disclosure about this, as required under the Public Interest Disclosure Act to the FCA. The use of different names in different documents by Wise was designed to mislead and confuse its customers
- Wise falsely alleged that Mr K didn't provide his full name and/or Government ID. Mr K had provided his full name and a copy of his passport to Wise. Nothing Wise said in its responses shows it was entitled to 'deactivate' his accounts. Mr K had also

provided his correct full name at the time the accounts were opened and again in 2023

- Wise were provided with the defunding account details at the beginning of January 2024. Wise failed to process the refunds. This has caused Mr K distress, financial losses and damages – including the failure to complete on the property purchase
- Wise failed to provide Mr K with a response in line with its obligations to his Data Subject Access Request (DSAR) in October 2023
- Mr K discovered that contrary to The General Data Protection Regulation (GDPR), and the Data Protection Act (DPA), Mr K's personal data had been transferred to persons located overseas and in another jurisdiction without his consent or knowledge
- To put things right, Mr K wants:
 - Wise to refund his funds without delay
 - Compensation for the failed property acquisition to include his forfeited deposit of 9,400 GBP. And the difference between the purchase price and market value amounting to 26,250 GBP (later amended to 27,000 GBP)
 - Costs and damages of 4,000 GBP for the unlawful 'deactivation' of the accounts. Mr K could not make payments, including when abroad
 - Unlawful enrichment and/or incremental interest rate expense at 39.9% - estimated value 5,887 GBP
 - Wise to pay compensation overall of 100,147 GBP
- Mr K pointed to several legal and regulatory provisions to underpin the grounds of his complaint; they include The Consumer Rights Act, Financial Services and Markets Act, The Financial Conduct Authority's (FCA) Code of Conduct and Principles, Misrepresentation Act, EU Directives, GDPR, DPA, and European Convention on Human Rights
- Wise, as the party in default, is under a duty to fully indemnify the innocent party for the consequential results of its wrong. This is a centuries old principle under common law; an innocent party is entitled to be reinstated in the same position as if the unlawful acts of the counterparty had not been committed
- Mr K held approximately 35,000 USD and 2,200 EURO with Wise
- Mr K should have been provided adequate notice of the termination of the accounts. By not doing so, Wise has breached contract law
- Mr K continued with the purchase of the property after his account had been closed as he had provided his defunding account details and expected the funds would have been returned to him

One of our Investigator's looked into Mr K's complaint, and they recommended it should be upheld in part. In short, the key findings they made were:

- Wise was entitled to conduct the account reviews. Wise informed Mr K that it was conducting a sanctions review in line with its legal and regulatory obligations

- Wise asked Mr K if he had a middle and/or patronymic name several times, but Mr K didn't answer this question. This caused a delay in the review. Wise acted fairly when asking Mr K this question
- The terms and conditions of the accounts allowed Wise to have closed them with immediate effect in these circumstances. Wise is under no obligation to provide Mr K with an explanation for either the review or account closures
- Wise offered to pay 8% simple annual interest on the balances it held as there was a delay in transferring the funds. This is fair as Mr K was deprived use of the funds during the time he should have had access. Wise should deduct £120 from this interest figure as it has already paid this amount to Mr K. The 8% simple interest should be paid from 9 January 2024 until 20 February 2024
- Wise should also reimburse Mr K all the card order fees given Mr K wasn't able to use the cards
- Wise didn't deal with Mr K's DSAR due to a technical issue it had. So Wise should pay Mr K £150 for the trouble and upset this and the delay in transferring the funds caused him

Wise agreed with what our Investigator said. Mr K did not agree. In summary, he made the following points in response:

- No legal basis for closing the accounts: Under the Consumer Rights Act, financial institutions are required to act fairly and transparently in their dealings with consumers. Any unilateral closure without reasonable grounds or proper notice contravenes these provisions. This position is supported by UK case law
- No legal basis for withholding and not returning funds upon closure: The Payment Services Regulations (PSR), specifically 66(1)(d) places an obligation on Wise to have returned Mr K's funds without delay upon the termination of an agreement. Wise also committed a tort of misrepresentation by falsely asserting it had returned the funds. So, Wise acted in bad faith
- Ongoing violation of Mr K's rights: The ongoing failure by Wise to return Mr K's funds amounts to a violation of his rights under statutory and common law. In addition to the PSR's, section 13 of the Supply of Goods and Services Act imposes a duty of care upon service providers to exercise reasonable care and skill in their performance of their contractual obligations. Wise's failure to release Mr K's funds shows it failed to meet this standard
- Contravention of statutory and case law, and the Financial Ombudsman's purpose: By allowing Wise to act in contravention of its legal obligations, this service fails to uphold the legal rights of customers. The FCA's principles for businesses, particularly principle six and seven highlight that a financial service provider must treat their customers fairly and communicate in a clear and not misleading way
- Express undertaking to return funds and Wise's misrepresentation: Wise has repeatedly asserted it's returned the funds when it hasn't. This amounts to a breach of contract and misrepresentation under the Misrepresentation Act
- Causes of action in contract and tort: Wise has breached its contractual obligations given it should have returned Mr K's funds. It's also committed the tort of conversion

as defined in common law precedent by withholding the funds without legal justification. Wise has also committed the tort of negligence by failing to exercise the duty of care

- Right to full and effective legal remedy: Mr K has a legal right to an effective remedy as per the European Convention on Human Rights and the Human Rights Act. To support Mr K's position here, he sent in several case law references which he says confirms that the right to an effective remedy is enshrined in domestic and international law. And provides that the innocent party is entitled to recover all costs and damages from the party breaching the contract and/or committing the tort
- Financial Services and Markets Act (FSMA): Under FSMA regulated financial institutions are subject to strict regulatory oversight by the FCA. Section 1c of FSMA sets out the FCA's "consumer protection objective," which mandates that the conduct of regulated firms must promote fairness and consumer trust. FSMA imposes a duty on regulated firms to adhere to legal standards, ensuring that consumers are not subject to unlawful practices
- FCA Principles: Regulated businesses must conduct their business with due skill, care and diligence; Firms must treat their customers fairly, including refraining from unlawful conduct that could cause customer harm; Firms are required to communicate with their customers in a clear, fair and non-misleading manner
- Case law and reasonable expectations of compliance: Mr K has referenced case law precedents to further support his position

Our Investigator explained this service's role in determining complaints, and the rules under which we operate as set by the FCA – the DISP rules. They also made the following key points:

- Wise is entitled to decide how it operates. And this includes decisions about what information it might need from its customers in order to ensure Wise complies with its legal and regulatory obligations. During the review, Wise told Mr K it needed to request the information from him due to its sanctions review. So, it was for Wise to decide what information it required from Mr K
- If Mr K feels Wise's account reviews are unfair or unreasonable on a broader basis, Mr K would need to raise such concerns with the FCA

Mr K responded that if the Investigator believes the laws he has referenced should be disregarded or overruled, an explanation as to why should be provided. As Mr K said he still hasn't received the funds from Wise, our Investigator sent him information they said showed Wise had processed the refunds.

Mr K said this information didn't show that he had received the refunds. And that it showed Wise had sent the funds to an incorrect account given the account details were inconsistent with those Mr K sent to Wise. Mr K also emphasised that he had provided his full name when asked by Wise - and Wise was provided with a copy of his passport to support this.

Additionally, Mr K said he doesn't recall being advised of a sanctions review by Wise – this is concerning and Mr K would like to see any evidence related to this. Mr K is also struggling to see how this is relevant.

As Mr K didn't agree, this complaint was passed to me to decide. I then asked Wise to provide further information which showed it had sent the funds it held to Mr K's external bank

accounts. I also asked our Investigator to contact Mr K's external bank to see if it had received the funds. I will refer to this bank as "Bank B" going ahead.

Our Investigator also asked Mr K to provide statements from Bank B and later explained that Wise say it processed the payments to Mr K's EUR and GBP accounts. And that Wise sent the USD funds to Mr K's GBP account. So, the USD would have been converted to GBP. The Investigator explained that is why they are asking Mr K for his account statements from Bank B – to see if the funds had come in or not.

In response Mr K asked for the document our Investigator was referring to, and the entire case file. Our Investigator explained we had asked Wise for better information related to tracing the funds it said had been released – and in the interim we wanted to Mr K's Bank B statements. They further explained Wise said 22,908.81GBP had been credited to Mr K's GBP account with Bank B on 20 February 2024, and 1,156.48 EURO had been paid to Mr K on 21 February 2024. And that the GBP funds were apparently the USD funds Wise held but converted to GBP.

In October 2025, our Investigator asked Mr K to provide a statement for his EUR and GBP accounts with Bank B for February and March 2024. Mr K didn't respond and he was asked for this information again in early January 2026. There has been no response.

I'm satisfied both parties have had fair and reasonable opportunity to respond – and make further comments and provide information. So, I will now decide this complaint.

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 focussed on what I think are the key issues in this complaint. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything Mr K and Wise have said before reaching my decision.

I believe it's also important to explain that it's not the role of this service to supervise, regulate or impose fines on any business. It's also not our role to ask a business to alter its procedures or enforce changes to policies. That's the role of the regulator, The FCA. My remit here is to decide whether I think Wise acted fairly and reasonably when applying those policies and procedures in the individual circumstances of Mr K's complaint.

I should add too that when deciding a complaint, I will do so by reference to what is, in my opinion, fair and reasonable in all the circumstances of the case. This is in line with what the FCA's DISP rules set out about my role in determining a complaint. In doing so, I will take into account all relevant law and regulations; regulators' rules, guidance, and standards; codes of practice; and where appropriate what I consider to have been good industry practice at the relevant time.

Account review and closures

Electronic Money Institutions (EMI's) in the UK, like Wise, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means Wise needs to restrict, or in some cases go as far as closing, customers'

accounts.

Wise has explained and provided me with evidence to show why it reviewed Mr K's accounts and why it subsequently blocked them in late 2023. Having carefully reviewed this information, I'm satisfied Wise acted in line with its obligations when reviewing and blocking the accounts. I note Mr K wants to know the basis of the review, and the rules and regulations Wise relied on in doing so. But Wise is under no obligation to do so.

Wise is entitled to close an account just as a customer may close an account with it. But before Wise closes an account, it must do so in a way, which complies with the terms and conditions of the account. Mr K created his accounts with Wise in 2022. Mr K's registration was pursuant to Wise's terms and conditions, here called "Customer Agreement". At the time of termination, it appears the version of the agreement was dated August 2023.

The crux of Mr K's complaint here is that Wise breached the contract by closing his accounts in the way it did. Paragraph 6.4 of the customer agreement says:

6.4 Information requests. *You agree to comply with any request from us for further information and provide such information in a format acceptable to us. In addition, you agree that we may make, directly or through any third party, any inquiries we consider necessary to validate the information you provided to us, including checking commercial databases or credit reports. You authorize us to obtain one or more of your credit reports, from time to time, to establish, update, or renew your Wise Account with us or in the event of a dispute relating to this Agreement or our Services. You agree we may disclose certain information about you, including your name, residential address, and date of birth to a credit reporting agency to obtain a credit report for these purposes.*

Wise has sent me information from its systems which show email and messaging conversation chains between it and Mr K. In summary, they show that Wise had asked Mr K for his full legal name including any middle names and/or patronymic names from early October 2023. Wise also informed Mr K throughout these messages that it may deactivate his accounts and terminate the customer relationship if this information isn't received.

Mr K did provide his first and last name. Wise continued to ask for a middle/patronymic name from Mr K through till December 2023. But he never responded saying what it was – or that he didn't have one. Mr K did later upload a copy of his passport which shows his first and last name. Wise again explained it needed his middle/patronymic name from Mr K in line with the Customer Agreement. On 27 December 2023, Wise again emailed Mr K and said that if he did not provide his patronymic name within seven days, his accounts would be closed. On 9 January 2024, Wise emailed Mr K and said:

"We have decided to deactivate your account. This means we can't help you with your future transfers. If you disagree you can appeal. If you have any pending transactions, we'll refund you shortly. You have 29,710.44 USD and 1,156.48 EUR left in your account. Let us know an account in your name that you'd like to be refunded to and the corresponding currency."

Based on what I've seen here, I'm satisfied that Mr K failed to provide his middle or patronymic name and failed to address this aspect of Wise's request despite several attempts by Wise.

Paragraph 6.5 of Wise's customer agreement says:

6.5. *Wise reserves the right to close, suspend, or limit access to your Wise Account*

or the Services in the event we are unable to obtain or verify any information related to you or your transaction.

It's noteworthy that in October 2023 and December 2023, Wise had informed Mr K that it was carrying out a sanctions review on Mr K's accounts. Wise must comply with wide ranging legal and regulatory obligations ranging from those to prevent financial crime and international sanctions. Failure to do so can lead to severe repercussions for it.

Mr K argues that he provided Wise with his legal name as supported by his UK passport. But I think it was reasonable Wise continued to ask about a middle or patronymic name given Mr K's heritage - even if it wasn't presented on his passport. Mr K didn't once say he never had one despite Wise's several attempts to get this information. I should add that Wise has provided me with information, which I am treating in confidence, about its reasons to ask for a patronymic and/or middle name. Our rules allow me to receive evidence in confidence. We may treat evidence from businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. I can understand why Mr K would like a much more detailed explanation; but Wise is under no obligation to do so.

So, in conclusion as:

- Wise asked Mr K for his middle/patronymic name four times between October 2023 and December 2023;
- it explained on two occasions that this information was needed for sanctions compliance checks;
- Wise warned Mr K that failure to provide this information would lead to the accounts being closed; and
- Mr K didn't provide his patronymic name nor explain he didn't have one or wasn't able to prove this

I'm satisfied Wise acted fairly and in line with both the customer agreement and its obligations in closing/deactivating Mr K's account with immediate effect. It follows that I'm satisfied Wise hasn't breached the terms of the contract in doing so.

For the sake of completeness, I should add that in reaching this conclusion, I am satisfied that the terms relied on here are not unfair contract terms as stipulated in the Consumer Rights Act 2015, as they are contained in the terms for a valid reason – namely to ensure that Wise is compliant with its legal and regulatory obligations

Funds return

Mr K says the funds held in his Wise accounts have not been returned to him. In his submissions, Mr K says he held approximately 35,000 USD and 2,200 EURO with Wise. I have been given copies of Wise's accounts statements for when the accounts were closed in January 2024. I am satisfied they show Mr K held 29,710.44 USD, and 1,156.48 EUR in line with what Wise said in its final response letter. I note too that Mr K's GBP account was at zero balance upon closure.

In Wise's final response letter, Wise said it had failed to assist Mr K properly about his incorrect account details for refunding the funds. So Wise would like to offer him 120 GBP compensation which is more than 8% interest on the funds Wise held between 18 January 2024 and 8 February 2024.

I've been provided information which shows emails and messages between Mr K and Wise related to the refunding of his funds. I can see on 9 January 2024, Wise asked Mr K for an

account in his name for where it can send his EUR and USD funds to and into which corresponding currency. Wise also said if it needed to convert from one currency to another, Wise would deduct its standard conversion fee. On 12 January 2024, Mr K asked if he could get the funds in cash and later on 18 January 2025, Mr K provided a sort code and account number for accounts he said relate to his USD and EUR account with Bank B.

On 24 and 26 January 2024, the messages show Mr K said he had not received his funds, and he reiterated the same account details as previously given. The messages show that on 7 February 2024, Wise informed Mr K it had not been able to process the refunds to the nominated accounts. Wise asked Mr K to provide an account holder name, IBAN/Account number, SWIFT/BIC, and bank name. Mr K responded later that day and said he had already sent the sort code and account details – but provided them again along with his name as the account holder and the name of Bank B.

The next day on 8 February 2024, Wise messaged Mr K and said it can't process the refunds as Wise cannot use a sort code to process EUR and USD, as a sort code can only be used to transfer GBP. Wise explained that for a EUR refund it needed IBAN and SWIF/BIC and for USD an account that can accept SWIFT/BIC.

Mr K responded on 15 February 2024 saying he had provided these details before and reiterated the sort code and account numbers for all three currency accounts with Bank B – USD, GBP and EUR. Wise has sent me a screenshot of a message exchange between its departments internally. This shows that on 19 February 2024, Wise's staff member said that Mr K was still not providing the proper details it needed. The information then shows that using a IBAN locating website it was able to get some details for Mr K's accounts with Bank B to affect the refunds. This evidence then shows the technical details for two accounts with Bank B for EUR and USD.

Mr K chased up his payments with Wise again on 21 February 2024. There is a message dated 29 February 2024 that the balance withdrawal was completed, and no further action was needed.

As I alluded to above, I asked both Wise and Bank B for more information to determine what had happened with the funds given Wise had provided evidence to show the refunds had been made. That evidence showed that 29,710.44 USD were sent to Bank B on 20 February 2024. And 1,156.48 EUR was equally sent to an account with Bank B on 20 February 2024. Mr K questioned these records as they were not consistent with his account details.

Wise said upon review of the transfers, the funds were sent to EUR and GBP accounts, not EUR and USD accounts. Wise suggested that what most likely happened is that as it sent USD to a GBP account, Bank B converted the funds to GBP. But the EUR transfer was made to a EUR account. To ascertain if this was correct, we asked Mr K to provide his statements, which he has not.

Bank B has said the account details for Mr K show a payment was received of 22,908.81 GBP. Bank B say that as this account for Mr K was a UK sterling account, the funds would have been converted to GBP. For the EUR payment, Bank B has provided me a statement for Mr K's account which shows 1,156.48 EUR was paid to him on 21 February 2024.

Wise carried out a trace exercise for both payments. In relation to the USD refund, Bank B confirm on SWIFT that it credited the funds on 20 February 2024 for 22,908.81 GBP and gave a reference number for it. That reference number matches with the entry Bank B provided from Mr K's GBP statement.

Given the above I am satisfied Wise transferred Mr K's funds on 20 February 2024 to his accounts with Bank B. The EUR were sent to a EUR account with Bank B. But the USD were converted by bank B into GBP as the receiving account was a GBP one. As Mr K never gave Wise an IBAN or SWIFT number, despite Wise asking him on several occasions, I don't think it's at fault for this as it found a way to send the funds using a IBAN finder. I note too that Wise's terms and email messages pointed to it sometimes having to convert currency – albeit this was done by Bank B here.

Wise accept it could have communicated more clearly with Mr K from when it closed his account about what details it needed, and I note that it didn't make it clear SWIFT/IBAN numbers were needed from the offset. Wise knows its processes best. But as this requirement wasn't clear from the beginning, I'm persuaded Mr K should be compensated for the period he was unfairly deprived of access to his funds.

Our approach to such awards is to award 8% annual simple interest for any such period. So, I think Wise should pay 8% simple annual interest from 9 January 2024 until the funds were transferred to Mr K on 20 February 2024. If Wise did pay Mr K the 120 GBP it offered to him in its final response, this should be deducted.

Mr K should note that regulation 66(1)(d) he cites from the PSR's either doesn't exist or isn't retrievable. However, I'd like to assure him I have considered the provisions of the PSR's in reaching the conclusion I have about the return of the funds. The key issue here is that Wise did return Mr K's funds albeit that it could have communicated more clearly from the offset about what it needed from Mr K to affect the payments. I have also considered what Mr K said about the Supply of Goods and Services Act and the Misrepresentation Act. But as the funds were returned, I'm satisfied these arguments are no longer material.

Losses and compensation related to the account closures and funds return

Where a regulated business has got things wrong, it is our approach when putting things right to put a consumer back in the same position, but for what went wrong. So, I agree with what Mr K says about fair remediation.

I have found that Wise acted fairly and in line with its obligations when reviewing and closing Mr K's accounts. So I don't think it needs to pay Mr K any compensation for the distress and inconvenience this caused, and for any financial loss Mr K says he suffered because of this. That means I won't be asking Wise to pay Mr K 4,000 GBP in line with what he's asked for.

I am satisfied, for the reasons above, that Wise did return the funds to Mr K, but that a failure to communicate effectively about what details it needed from the offset caused Mr K to be deprived of his funds longer than he should have. Because of this Wise should pay Mr K 8% simple annual interest* from 9 January 2024 until the funds were returned to Mr K on 20 February 2024. Wise can deduct 120 GBP if this amount has already been paid to Mr K.

Mr K says that Wise's failure to send him his funds cost him 9,000 GBP deposit on a property he wanted to acquire from auction. And then 27,000 GBP which is the value he would have lost based on recent market values.

It's arguable that this loss is far too removed and not reasonably foreseeable. But given Mr K did have his funds by 21 February 2024, this was within the 28 calendar days that Mr K says he had to complete on the property. So, I don't think this is a loss that should be attributed to Wise's failing in not communicating and affecting the return of funds sooner. That equally means I don't think Wise has unlawfully enriched itself, particularly as Mr K is being compensated for being deprived of his funds for the time Wise should not have done so.

It follows that I will not be directing Wise to pay Mr K compensation of over 100,000 GBP in line with what he says Wise needs to do to put things right.

DSAR request

I have been provided with a copy of Mr K's DSAR request to Wise. And Wise accept that due to an issue on its end, this was missed. Wise therefore didn't action Mr K's request within the time it should have. I accept this would have caused Mr K distress and inconvenience and exacerbated the way he was feeling given the main premise of his complaint.

I will later determine what I think is fair compensation for the distress an inconvenience this had on Mr K. But in doing so I will consider that the impact to Mr K is heavily mitigated by this not having a substantive or material bearing on the outcome of his complaint. And that this was later actioned by Wise.

Mr K should note that one of our Investigator's told him earlier that the point he makes about his data being shared outside of the UK is something for the Information Commissioner's Office (ICO) to deal with.

Other complaint points

I note that in his complaint to Wise, Mr K says Wise discriminated against him in taking the actions it did. So, it's not clear if this is something Mr K is still complaining about. Notwithstanding that, I'd like to assure Mr K that I've very carefully considered everything he's said about this. And I want to make clear I do not doubt how genuinely he feels about this matter and the upset Wise's actions have caused him.

While I appreciate this is Mr K's perspective, it is not my role to decide whether discrimination has taken place as a matter of law – only the courts have the power to decide this. I have, however, considered the relevant law in relation to what Mr K has said when deciding what I think is the fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010. But after doing so, I've not seen evidence to indicate Mr K was treated unfairly for the reasons above.

Mr K says Wise used several different names which I note are listed as trading names or previous names on the FCA's register, and this confused him. It is not our role to determine whether this is a fair customer practice overall, but in the individual circumstances of this complaint I haven't seen that this has caused Mr K any detriment in making his complaint or the events he's complaining about.

Mr K says Wise failed to provide him with his Customer Agreement and/or Terms of accounts when opening his account and thereafter. But Mr K has a duty to review such terms before entering into the contact and I'm satisfied the electronic availability of these terms has always been available to him – if of course Wise didn't send it as I would expect from the offset. Given Wise is an EMI, it would not be covered by the UK Deposit Insurance Scheme. I can't see that Mr K complained to Wise about this nor about the terms being given to him, so it really is something for him to complaint o Wise about in the first instance under the rules that apply to when our service can look into a complaint.

Lastly, Wise should refund any card-based fees it charged Mr K, if it hasn't done so already given he didn't have the use of the accounts when this was charged to his account.

Putting things right

In conclusion, and in summary, Wise Payments Limited needs to do the following to put things right:

- Pay Mr K 8% simple annual interest* from 9 January 2024 until 20 February 2024 on Mr K's funds of 29,710.44 USD, and 1,156.48 EUR. Wise should deduct 120 GBP from this amount if it has already paid this to Mr K
- Pay Mr K 150 GBP for the distress and inconvenience he has suffered for the impact the delay of his funds being returned to him caused, and for the DSAR not being acted upon in a timely manner
- Wise should refund any card-based fees it charged Mr K, if it hasn't done so already

*If Wise considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr K how much it's taken off. It should also give Mr K a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate

My final decision

For the reasons above, I have decided to uphold this complaint in part. Wise Payments Limited must now put things right as directed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 3 March 2026.

Ketan Nagla
Ombudsman