

The complaint

Mr D has complained about Wise Payments Limited's ("Wise") handling of two balance deposits.

What happened

On 13 September 2025, Mr D set up a 370 US Dollar balance deposit. The balance deposit was set up so that it would be funded by Euros and Wise would then convert the Euros (EUR) into US Dollars (USD) for Mr D.

However, rather than instruct his bank to send 316.76 EUR (as instructed) to Wise, Mr D instructed his bank to send 370 USD to fund the transaction instead. Because the money received was in the wrong currency, the payment was automatically rejected by Wise and sent back to the sending bank. As the balance deposit transaction Mr D had set up remain unfunded, it remained active on Wise's systems.

On 17 September 2025, Mr D set up another balance deposit with Wise, this time for 110 EUR and was due to be funded in Euros. On the same day, Wise says it received 95 EUR from Mr D's bank. But as the amount received didn't match the amount of either of the balance deposits, and as the first transaction was still open and awaiting incoming funds, Wise says it allocated the 95 EUR that was received to Mr D's first balance deposit, rather than to the second one.

As the 95 EUR received was less than the 316.76 EUR necessary to complete the first balance deposit that Mr D had set up, Wise says it contacted Mr D and asked whether he wanted to: send more money, to bring the total amount received to 316.76 EUR; reduce the transaction amount to match the 95 EUR that had been received by Wise; or to cancel the transaction. Wise says that Mr D selected to cancel the transaction, resulting in the 95 EUR being sent back to his (sending) bank.

Confused with what was happening, and unhappy with how the transactions had been processed, Mr D complained to Wise.

Wise issued its response to Mr D's complaint on 25 September 2025 and partly upheld the complaint. Whilst Wise didn't accept it had handled the transactions incorrectly, it did conclude that it should've given Mr D clearer guidance and so offered to pay Mr D £25 compensation for this.

After Mr D referred his complaint to this service, one of our investigators assessed the complaint and they didn't think Wise needed to do anything further than what it'd already offered.

As Mr D didn't accept the investigator's conclusions, the matter was referred for an ombudsman's 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.

Having reviewed everything, I think the offer that Wise made was fair in the circumstances. I will explain why.

In terms of the first transaction. After setting up the balance deposit with Wise, I can see that Mr D instructed his bank to send 370 USD to Wise.

Mr D says that he followed Wise's instructions and lost money through no fault of his own. But the evidence from Wise shows that Mr D had selected to transfer Euros to Wise and Wise would then convert that into US Dollars, so that Mr D would be left with 370 USD. Indeed the payment instruction that Wise has provided for this balance deposit clearly says:

“Please Pay 316.76 EUR to...”

So it would seem more likely than not that Mr D did make an error here in sending USD rather than EUR, and he didn't correctly follow the payment instructions that Wise had sent to him to fund the first balance deposit.

Mr D says that he'd set up the first balance deposit so that it would be funded in USD. But from what I have seen, Mr D either selected the wrong option (requiring him to transfer Euros to Wise, when he wanted to transfer USD), or he sent the wrong currency to Wise. But either way, Wise was expecting to receive Euros for Mr D, not USD and the payment instruction from Wise clearly said that Mr D needed to pay 316.76 EUR to fund the balance deposit. Wise has explained that because Mr D attempted to transfer USDs into a Euro only account, this led to his money being automatically returned to the sending bank.

So in the circumstances, I can't reasonably say that Wise acted unfairly, unreasonably or made a mistake in relation to the first transaction. I don't think it's reasonable to say that Wise should be held responsible for Mr D receiving back less than he'd sent - because the correspondent banks involved in the SWIFT payment had deducted handling charges from the returned payment – when this occurred because Mr D had sent the wrong currency to Wise.

Turning now to the second transaction that Mr D made, I understand that Mr D had set up another balance deposit with Wise, this time 110 EUR to be funded in Euros. Mr D instructed his bank to transfer 110 EUR to Wise, but Mr D received a message to say he'd not sent enough money.

I can understand why this caused Mr D confusion. Wise has explained that, although the USD that Mr D attempted to transfer for the first transaction had been sent back to him, the underlying balance deposit i.e. to convert 316.76 EUR to 370 USD, was still active and waiting for Mr D to pay money in to carry out the transaction.

When Mr D instructed his bank to send 110 EUR to Wise, Wise only received 95 EUR. And as the amount received didn't match either of the two balance deposits that Mr D had set up, this payment was allocated to Mr D's first transaction. But as the transaction required Mr D to credit 316.76 EUR, this meant that the first transaction was still not fully funded.

I can see that Wise sent a message to Mr D to explain this, and gave the option to Mr D of adding more funds (so as to bring the total amount to 316.76 EUR), or to proceed with the transaction with the lower amount received (to then convert the Euros to USD as per Mr D's instruction), or to cancel the transaction.

Based on what I have seen, it seems that Mr D cancelled this transaction. And so, the 95 EUR that had been received by Wise was also returned back to the sending bank.

Mr D says that he'd never cancelled the 110 EUR balance deposit with Wise. But as the 95 EUR that was received was allocated to his first balance deposit, this meant the 110 EUR balance deposit remained open and active. Wise's records indicate that it was eventually cancelled (by Wise) in October 2025 – presumably because it had remained unfunded for some time, Wise assumed Mr D no longer wanted to carry out the balance deposit.

I can't say that Wise acted unfairly here. I do appreciate that this matter was confusing for Mr D, especially when the Euro's he sent to Wise for the second transaction was treated as being part of the first transaction. But as the first transaction had not been cancelled when

the Euros were received, and the amount received didn't match either balance deposit, I can see why Wise allocated the payments as it did. And these events came about because Mr D had sent the wrong currency for the first balance deposit, rather than because Wise had made a mistake.

So taking everything into account, I'm unable to say that Wise acted unfairly or unreasonably regarding the handling of Mr D's payments. Although I do note that, when Mr D was in contact with Wise, the information was not always clear about what exactly had happened regarding the two balance deposit transactions. Whilst this didn't necessarily change matters regarding the transactions, I can see that this caused confusion to Mr D in trying to understand what exactly had happened.

Finally, a part of the reason why Mr D is complaining is because when the two payments were returned back to him, he received less than he'd sent. In relation to the USD he sent to Wise, he sent 370 USD and says he only received 300 USD back into his account. In relation to the Euros, Mr D sent 110 Euros, 95 Euros were received by Wise and Mr D only received 45 Euros back into his account.

I can appreciate why Mr D is unhappy with this. But firstly, in relation to the 370 USD that Mr D sent to Wise, Wise says that it was automatically returned before it was even credited into Wise's account, because the account it was due to be paid into only accepted Euro denominated payments. Therefore, I can't say that Wise can reasonably be held responsible for the deductions made in regards to that payment.

In terms of the Euros that Mr D sent, Wise says that it only received 95 EUR out of the 110 EUR that Mr D had sent. Based on the payment details that Mr D has provided, the SWIFT payments were sent using a 'SHA' cost basis. This means the cost to send the money was shared between the sender and the receiver. If Mr D wanted the full amount to be received, he would've needed to have instructed his bank to send the money using an 'OUR' cost basis i.e. the sender covers all of the costs to make a SWIFT payment. So clearly, the correspondent banks had deducted 15 Euros to process the 110 EUR SWIFT payment sent to Wise. This amount doesn't seem to be unreasonable, especially given the location of the sending bank.

Therefore, in returning the Euros back to Mr D, I would've expected a similar amount to have been charged by the correspondent banks. Wise has provided evidence that it returned the full amount it'd received i.e. 95 Euros, back to Mr D when he cancelled the (first) transaction. So I'm satisfied that Wise did send back all of the money that it had received.

However, after Wise sent the Euros back to the sending bank, Mr D says only 45 Euros were received. Deducting a further 50 Euros does seem to be excessive (especially when it only cost 15 Euros to send). However, based on the payment information provided to this service, it's not clear which correspondent bank charged those fees. For example, if the fees were charged by a correspondent bank acting on behalf of the sending bank, I wouldn't be able to hold Wise responsible for that anyway. I could only hold Wise responsible for the charges that a correspondent bank acting on its behalf chose to apply to the transaction (and even then, I'd only be able to say Wise should reimburse Mr D if the fees deducted were wrong or unfairly applied). Nonetheless, I can see that Wise has already offered to pay Mr D £25. As it's not clear who actually deducted the 50 Euros, and as the amount offered by Wise is just over half of the costs Mr D incurred to return the 95 Euros back to his bank, I think that is a fair offer in the circumstances. I say this especially as I can't see that Wise actually made an error in terms of how it processed the payments.

Finally, I can see that when Mr D asked Wise to clarify what had happened, Wise gave Mr D confusing or unclear information. However, I'm satisfied that Wise did then clarify matters and provided a clear explanation as to what had happened regarding the two balance deposits and the returned payments, when it responded to Mr D's complaint on 25 September 2025.

So overall, whilst I appreciate Mr D's dissatisfaction that the payments didn't go as planned, and he didn't get back as much as he'd sent, for the reasons outlined above, I think that Wise's offer to pay Mr D £25 is a fair way to resolve this complaint.

I recognise that Mr D may be unhappy with this, particularly as he incurred more than this in SWIFT fees on the two payments that were sent back to him. But I hope he understands the reasons why I have reached this outcome.

Putting things right

To put things right, I require Wise to pay Mr D £25 (if it has not done so already), in line with the offer that Wise made in its final response to the complaint.

My final decision

Because of the reasons given above, I uphold this complaint and require Wise Payments Limited to do what I have outlined above to put things right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 12 May 2026.

Thomas White
Ombudsman