

## **The complaint**

Mr J complains that Wise Payments Limited (“Wise”) closed his account without notice and that it was unable to provide him sufficient information when he contacted it about this.

## **What happened**

Mr J opened an account with Wise in July 2021. On 4 April 2023 Wise contacted Mr J by email to inform him it could no longer offer its services to him and would be closing his account. In its email it provided details of how Mr J could make an appeal and access the money that remained in the account. Mr J received the money on 6 April 2023 – two days later.

Mr J contacted Wise on 5 April 2023 and spoke with one of its agents. He didn’t feel they were able to answer his concerns and he made a complaint to Wise. He complained the agent was unable to give him clear information about how to make a complaint and that they couldn’t give him information about his account.

He also complained about Wise’s decision to close his account and its refusal to provide information about this. He felt because it hadn’t shared the details of its decision he hadn’t been given the opportunity to respond and so it hadn’t based its decision on accurate information.

Wise didn’t respond to Mr J’s complaint so he brought the complaint to our service to consider. In response to our request for information, Wise confirmed it was satisfied with its decision to close Mr J’s account, but acknowledged its failings in not responding to Mr J’s complaint. It offered £75 in recognition of the distress and inconvenience caused for its lack of response.

Our investigator looked into things and felt Wise had acted fairly and reasonably in closing Mr J’s account. They also felt the £75 Wise had offered was fair and reasonable in relation to the customer service provided.

Mr J didn’t accept this. He said Wise needed to give him more information about its decision to close the account and said it’s updated terms and conditions supported this. He also said he was making a subject access request under the Data Protection Act to Wise to obtain more information about the closure and requested we wait until he received this information before proceeding with the complaint.

As Mr J didn’t accept the investigator’s findings the complaint has been passed to me to make a 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.

I understand Mr J has requested that our service doesn’t make a final decision in his case until he has received a response from Wise to the subject access request he’s said he made

around August 2023. He's said Wise hasn't responded to this and he's encountered difficulty in obtaining evidence the request was received by Wise from the postal service in the country he sent the request from.

I'm conscious it has now been around nine months since Mr J told the service he was going to make a subject access request. So although he's explained he has had difficulty in receiving a response to his request I think he has had sufficient time to try and resolve this matter before a decision has been made in this case.

And in any event, whilst I have considered Mr J's request carefully, I'm satisfied I have the information I need in this case to reach a fair and reasonable decision. Even if a subject access request would give Mr J access to the details of Wise's decision to close his account, my role here is to consider if I think Wise has made a fair and reasonable decision in closing it. I'm satisfied it has, and that further submissions from Mr J regarding this aren't necessary for me to reach this outcome. I've said more about this below.

I've also noted Mr J's comments around wanting our service to wait for updates to the relevant rules and regulations before we make a decision. I'm satisfied I've taken into account the law, regulator's rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time the issues Mr J is complaining about took place.

#### *Was Wise acting fairly in closing Mr J's account*

I'll start by setting out some context for the review of Mr J's account. UK legislation places extensive obligations on regulated financial businesses. Financial institutions must establish the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. This applies to both new and existing relationships. These obligations override all other obligations.

Wise has provided this service with information about why it decided to close Mr J's account immediately. Our rules allow us to receive evidence in confidence. We may treat evidence from banks and financial businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Wise has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr J, but I'd like to reassure him that I have considered everything.

I've then gone on to consider whether Wise's reason for closing the accounts was fair. In doing so, I appreciate that Wise are entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Wise should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly.

After considering all the available evidence and information, I haven't seen evidence to show Wise closed Mr J's account for an improper reason. So, although I appreciate the account closing will have inconvenienced Mr J and may well cause him the future potential financial losses he's described, there's nothing that I've seen, that suggests it amounted to anything other than a legitimate exercise of its discretion.

Mr J has said that because Wise hasn't disclosed the reason for its decision he hasn't had the opportunity to provide his version of events. So he doesn't believe it has made a decision

based on fact. In particular he's expressed concern the situation is in relation to inaccurate data it holds around his multiple addresses. But I can confirm this isn't the case.

Overall I'm satisfied the information it's based its decision on is sufficient in this case and it doesn't need to obtain any further information from Mr J or discuss the matter with him in order to confirm or otherwise verify it.

I understand Mr J wants Wise to explain the reason it has made this decision. But Wise is under no obligation to tell Mr J the reasons behind the account review and closure, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr J this information. And it wouldn't be appropriate for me to require it to do so.

I'm aware Mr J has highlighted Wise's updated terms and conditions and he feels this offers proof it needs to disclose information about why it closed his account to him. But the terms he's highlighted aren't relevant to this situation as they outline that in a situation where an account is suspended or restricted which isn't the case here, where his account was closed with immediate effect.

#### *Has Wise provided sufficient customer service*

Mr J has complained about his call with an advisor at Wise. Having listened to this call I don't think the service the advisor provided was insufficient overall.

When Mr J was unable to provide his membership number they requested additional information in order to access his account including his name, email address, date of birth and the address he used to open the account which allowed them to see Mr J's account. I don't think it's unreasonable they requested this information in order to satisfy themselves they were speaking to the right person.

It's clear the advisor didn't understand that Mr J had limited access to the information on his account because of the decision to close it. So when he asked for his membership number they directed him to look this up on his account which he explained he couldn't do. Once he explained this, they provided the membership number to him and the situation was resolved quickly.

He also asked how to complain and the advisor initially explained what was clearly a standard process requiring him to access his Wise account which he couldn't do. But again, when this became clear, they sought advice from a colleague and the situation was again resolved quickly. They also offered to take the details of the complaint and log this for Mr J themselves which he declined to do.

I haven't heard anything in this call that persuades me Wise was deliberately trying to mislead or prevent Mr J from being able to make a complaint. It seems the advisor he spoke to didn't immediately fully understand his circumstances, but ultimately resolved the matter within minutes so I don't think the impact of this was outside of the normal inconvenience that can sometimes come up in the course of making a complaint or dealing with the administration of an account.

With regards to Wise not responding to Mr J's complaint it has agreed this was a failing on its part and has offered £75 to acknowledge the distress and inconvenience caused and I think this is fair. It should've responded to Mr J's complaint and I can see it would've caused him frustration and additional worry while he was waiting for a response.

I've noted that in its acknowledgement of receiving Mr J's complaint Wise confirmed he was able to bring the complaint to our service. Mr J did so around five weeks later when he hadn't received a response.

**My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 18 June 2024.

Faye Brownhill  
**Ombudsman**