

The complaint

Mr D complains that WorldRemit Ltd closed his account and did not properly apply rewards he had earned under its *Refer a Friend* scheme.

What happened

In or around 2018 Mr D opened an account with WorldRemit, which provides money transfer services. Those services include a cash pickup service, enabling users to collect cash while abroad, for example. Mr D used the account for that purpose in April 2018, but then does not appear to have used it again until August 2023.

The account also has a *Refer a Friend* scheme. This enables account holders to refer friends and family to WorldRemit; when the new customer uses the service, both they and the account holder who referred them receive a voucher. Mr D made more than 20 such referrals. Customers who are referred under the scheme may need to complete relevant Know Your Customer checks before they are accepted.

In August 2023 WorldRemit wrote to Mr D to say that it was closing his account with immediate effect. It did not provide him with all the rewards he believed he was entitled to under the *Refer a Friend* scheme. WorldRemit did not tell Mr D why it had taken that decision.

Mr D referred the matter to this service, where one of our investigators considered what had happened. In her preliminary assessment, the investigator noted that the account terms gave WorldRemit the right to reject a *Refer a Friend* request at its own discretion, but in particular if it felt the scheme was being misused.

The investigator concluded that WorldRemit had acted fairly and did not therefore recommend that Mr D's complaint be upheld. Mr D did not accept that assessment and asked that an ombudsman review the case.

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 done so, I have reached the same overall conclusions as the investigator did, and for broadly the same reasons.

It is primarily for financial services providers, such as WorldRemit, to decide whether to provide, or to continue to provide, services to any individual. This service won't usually intervene in the exercise of a financial business's commercial discretion, as long as that discretion has been legitimately exercised – as I believe it was in this case.

I note that the account terms gave WorldRemit a wide discretion to close accounts for "various reasons", although they also said that immediate closure would only be

implemented in the event of serious or regular breaches or if the customer had acted in a manner inconsistent with WorldRemit's ability to provide services.

I think it's arguable that Mr D ought to have been given more notice of closure than he was. I don't believe that WorldRemit has identified a serious or persistent breach of the terms. However, given the nature of the services it provided and the fact that Mr D had not in fact used them for many years, I am not persuaded that the closure caused him any actual loss or resulted in significant distress or inconvenience that would merit compensation.

I am satisfied too that, in the circumstances, WorldRemit was justified in withholding rewards which Mr D believes he should have had as a result of referrals.

My final decision

For these reasons, my final decision is that I do not uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 26 July 2024.

Mike Ingram
Ombudsman