

The complaint

Mr J complains about how Curve OS Limited dealt with a transaction he didn't recognise.

What happened

Mr J says he was travelling abroad when he noticed a transaction on his account that he didn't recognise. He says having spoken to Curve, it then blocked his account and refused to speak to the merchant. He also says Curve unfairly offered to remove the account block if he accepted liability for any future unauthorised transactions. Mr J says he asked Curve to call him, but it didn't do so and says he was left abroad without the ability to buy food. He says Curve failed to make an adjustment for his communication needs and would like an apology as well as compensation.

Curve says Mr J told it in June 2021 that he didn't recognise a payment for just over £50. It says it correctly blocked Mr J's account and did try and call him without success. Curve says it told Mr J that he should check with the merchant what the payment was for as Mr J had made previous payments to it and says the merchant wouldn't have spoken to it about the payment. Curve says Mr J could have still used his account cards without the Curve facility and says it offered to reissue the account card, but Mr J didn't provide required security answers. It says it hadn't been told about Mr J's communication issue or could make reasonable adjustments in those circumstances. Curve has offered to refund its account fees.

Mr J had brought his complaint to us and our investigator thought Curve's request that Mr J speak to the merchant first about the transaction was reasonable. The investigator thought the account block was correctly applied and that Mr J could have completed the security process to receive a new account card. The investigator thought Mr J did have access to money whilst abroad and thought Curve's gesture of goodwill about the fees fair and reasonable.

Mr J doesn't accept that view and in summary questions if Curve is acting as a bank without a licence and says it refused to carry out a chargeback. He says Curve should have tried to call him more than once and says he is unaware about any security questions asked of him.

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 come to the overall view that Curve has made a fair and reasonable goodwill gesture to refund the account fees in circumstances where it clear Mr J was no longer able to use the account after the account block was put in place.

I have looked carefully at Curve's records and the evidence Mr J has provided. I think it clear that Mr J questioned the transaction initially saying he didn't recognise it, and in those circumstances, Curve had no choice but to apply fraud measures to his account. I am sure that Mr J appreciates that fraud is a major problem for businesses and individuals and that

financial businesses must have security measures in place to protect its and its customers money.

I appreciate Mr J says that Curve ought to have contacted the merchant in question. But I disagree, when in circumstances it clear that Mr J had made payments to that merchant in the past. I think it unlikely the merchant would have been able to speak to Curve without Mr J's authority in any event. And I think it was entirely reasonable for Curve to apply the account blocks to protect Mr J's money and suggest he speak to the merchant to clarify if the payment was fraudulent.

I also appreciate that by Curve applying the account block, that inevitably meant Mr J was caused inconvenience whilst abroad. But I can't see what alternative there was and am satisfied that it was Mr J that raised the question of an unauthorised transaction in the first place. I'm also satisfied that Curve fairly said it would remove the block, but that Mr J would be responsible for any further unauthorised transactions. I don't think such an offer was unfair and think that would have allowed Mr J to have called the merchant himself and clarified what had taken place.

I have not seen any evidence that Mr J was left without access to money whilst abroad and am satisfied that he could have used his account cards without using Curve. I appreciate Mr J says he has unanswered questions about what took place, but this decision can't answer or explain every point or question that is raised. And it's not our role to comment on what Mr J says about Curve acting as a bank.

I'm satisfied that Mr J didn't ask Curve to carry out a chargeback initially but complained about a potential fraudulent transaction. And I have made clear that I don't think Curve made a mistake by applying the account block in those circumstances. I also think that even if Mr J asked for a chargeback to be raised then he would have been told to speak to the merchant first to try and resolve the dispute in accordance with the chargeback rules.

I appreciate Mr J says Curve ought to have tried to call him more than once and should have considered his communication requirements. But I don't think Curve had been told about any such requirements before the issue and in any event did try and call Mr J. I'm satisfied that Curve made its position clear, which was that Mr J should speak to the merchant and find out if there had been a legitimate payment, a mistake or fraud but the account block would remain to protect his money until clarified.

I have looked through the communication logs between Curve and Mr J and can see that Curve offered to issue a new account card but required certain questions answered first. I can't see those questions were ever answered by Mr J, so I don't think Curve acted unfairly by not sending a new account card. I appreciate that is not the main part of this complaint.

I accept that Mr J was unable to use his Curve account and so am satisfied that Curve has acted fairly by offering to refund the account fee. I think such an offer fairly reflects what took place.

Putting things right

Curve should refund the account fee as it has fairly agreed to do.

My final decision

My final decision is that Curve OS Limited has made a fair and reasonable offer to refund the

account fees. Mr J's acceptance of this decision would be in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 19 October 2022.

David Singh
Ombudsman