

## **The complaint**

Mr D complains about the service he received from Prepay Technologies Ltd ("Prepay") regarding the application of its cashback reward on its Suits Me account. In particular, he is unhappy that he's had to chase Prepay to pay the cashback reward.

## **What happened**

Mr D holds a Suits Me account and card with Prepay where transactions made with participating retailers receive cashback rewards.

Mr D noticed he wasn't receiving the cashback rewards he was expecting on his Suits Me account and complained to Prepay about this. Prepay said the cashback did not get paid automatically due to a system error and that it was looking to change its cashback provider in the future to improve the efficiency of customers receiving their rewards. Prepay apologised for the inconvenience and applied the cashback reward as well as compensating him £20.

Mr D again noticed he wasn't receiving cashback on certain transactions he'd made and so again complained to Prepay about this. Mr D believes the cashback payable amounts to £62.16.

On this occasion Prepay didn't uphold Mr D's complaint because it says Mr D had used another card attached to his Suits Me account to make the transactions and so cashback wasn't available. Prepay said that Mr D had used his Suits Me account to top up another card which he used to make the purchases and as such it wasn't Suits Me sending the money to the merchant – it's someone else – and so the transaction isn't eligible for cashback. But as a gesture of goodwill it agreed to refund £32.03 but said it would make no further refunds for purchases made this way and confirmed Mr D would have to use his Suits Me card directly with eligible merchants to receive the cashback reward.

Mr D was dissatisfied with this and so brought his complaint to this service. Mr D says Prepay made no mention of the fact that there was an issue using a certain type of payment card in conjunction with the Suits Me account to purchase items in its initial final response letter. Furthermore, Mr D says he's had to raise another query regarding a transaction made not using this card where cashback had not been paid. Mr D is unhappy that you have to chase Prepay every single time to receive the cashback which implies that Prepay do not have an automatic mechanism for applying cashback rewards.

One of our investigator's looked into Mr D's complaint and didn't think Prepay had made Mr D reasonably aware that by using a card attached to his Suits Me account he wouldn't qualify for the cashback reward especially as it had the chance to do this when he raised his first complaint. Furthermore, they didn't think Prepay's terms and conditions made this sufficiently clear when it states that:

"Transactions made using a participating Prepaid Card or Account will attract a Cashback Rebate on spend at the Participating Retailers listed on this website, at the rates advertised.

And so they recommended Prepay pay Mr D the full cashback amount for the relevant transactions.

Prepay disagreed. It says the Suits Me card is the cashback participating Prepaid card and Mr D didn't use this to make the transactions he made but rather another card linked to his Suits Me account. Furthermore, its terms and conditions state that:

"The Cashback Rebate only applies to purchases made from the Participating Retailers at stores located within the UK and online using their UK website."

And although Mr D might have purchased from a *Participating Retailer* he hadn't used his Suits Me card to make the transactions and so the transactions weren't eligible for cashback.

Prepay says since it issued its first final response letter it has changed cashback providers and it wasn't understood why the cashback wasn't applied and so thought it was just an error within the cashback system. It now knows the reason Mr D wasn't receiving all the cashback rewards he was expecting wasn't due to an error in the system but rather that the card he was using to purchase through wasn't a participating retailer.

So, Mr D's complaint has been progressed for an ombudsman's decision on the matter.

### **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.

My role is to look at the problems Mr D has experienced and see if Prepay has done anything wrong or treated him unfairly. If it has, I would seek – if possible - to put Mr D back in the position he would've been in if the mistakes hadn't happened.

And having considered everything I'm in agreement with our investigator and I'm not sure there is anything more of use that I can add. I too think there is some confusion about how a customer needs to spend on their Suits Me card or account to be eligible for cashback on purchases. And I don't think that Prepay have made it sufficiently clear through its terms and conditions or otherwise that when a customer uses a card linked to a Suits Me account that the transactions won't be eligible for cashback rewards as I can't see a definition of who a "participating Prepaid Card or Account" is.

Indeed, when Mr D made his initial complaint about this Prepay wasn't aware of what the issue was and so concluded it was an error on its part and has since found out what the issue is. If Prepay wasn't even aware of what the issue is how is a customer meant to know. And as soon as the issue had been identified I would've expected Prepay to take steps to make this clear. But it hasn't done this, instead it has allowed customers to continue to purchase in this fashion without understanding their purchases mightn't be eligible for the cashback they're expecting.

I think it is now clearer to Mr D that to be eligible to receive the cashback a customer not only has to purchase from a participating retailer but also use the Suits Me Prepaid Card or Account to do so and not a third-party card linked to a Suits Me account - as in Mr D's case - and so going forward this shouldn't be an issue for Mr D.

But as this wasn't made clear to Mr D at the earliest opportunity, I think there has been a service failing on Prepay's behalf and to resolve the situation fairly I think it should pay Mr D the full cashback he was expecting which I understand is a further £30.13.

And so it follows that I uphold Mr D's complaint and direct Prepay pay Mr D the cashback for the transactions in question.

### **My final decision**

For the reasons I've explained, I uphold Mr D's complaint against Prepay Technologies Ltd and direct it pay Mr D £30.13 representing the outstanding cashback he believes is due to him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 7 January 2025.

Caroline Davies  
**Ombudsman**