

The complaint

Mr B, a sole trader, complains that SumUp Payments Limited repeatedly asked for customer data relating to certain transactions in a way he felt was disproportionate and overly intrusive. When he chose not to provide this information, SumUp refunded the transactions, which resulted in him losing income.

What happened

Mr B's SumUp account allowed him to take card payments from his own customers. Between June 2024 and March 2025, SumUp asked Mr B to provide information on five transactions.

SumUp asked for the customer's full name and address, and whether Mr B had any personal relationship with them. As an alternative, SumUp said he could provide evidence of the payment purpose, such as an invoice, which included the customer's full name and address. Mr B declined to provide this information asking SumUp to explain the specific legal basis requiring these details.

One of our investigators looked at this complaint, but he didn't uphold it. He did not view SumUp's requests to be unnecessary or intrusive because they were aimed at verifying if the payments were genuinely for business purposes. As Mr B chose not to provide the information requested, SumUp was, under the terms of its agreement with him, entitled to reverse the transactions.

Mr B disagreed with the investigator's conclusions. He said SumUp never told him during onboarding that he would be required to collect such detailed customer information, nor that transactions could be reversed if he did not provide it.

He also said SumUp offered no reasonable alternatives and that its requests were disproportionate for his low-risk, low-value business. The complaint was therefore passed to me for a final 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'm sorry to further disappoint Mr B but having done so I've come to the same conclusion as our investigator for broadly the same reasons.

Financial businesses in the UK are strictly regulated, and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of new and existing relationships.

Mr B agreed to process payments in accordance with SumUp's terms, which says its services are exclusively for business use. So, in principle, I have no concerns about SumUp's decision to ask for more information from Mr B regarding some of his transactions.

Mr B says that the questions that SumUp asked were unusual, and that its competitors do not ask the same questions. Financial businesses like SumUp have considerable discretion as to how they meet their legal and regulatory obligations, and I would not expect all such business to ask exactly the same questions of every single customer.

I acknowledge that Mr B would like me to make more specific comments about SumUp's data demands and compliance processes, but that is not my role as an ombudsman. My role is to determine the individual complaint in front of me.

Having reviewed the questions that were asked of Mr B, I do not find them to be unreasonable or excessive in nature. I further agree with the investigator that the agreement between the parties gave SumUp broad discretion to reverse transactions it believed breached its terms. However, that does not automatically mean SumUp acted fairly in exercising that discretion here.

Mr B said he could provide alternative evidence, such as a customer's postcode, proof of local service routes, or photographs showing the work performed. However, it is not clear why he was unable to provide the specific information SumUp requested.

I note Mr B's explanation that in his industry, it is normal not to collect or retain full customer names and addresses – especially where customers have purchased only a single service or wish to remain anonymous. But I am still not persuaded that Mr B was unable to provide the information SumUp had requested. The nature of his business means that his services could only be provided at his customers' premises. That means he would always have had an address for each of his customers, and could have provided the full address rather than just the postcode. Similarly, in these circumstances I find it unlikely that Mr B did not know the name of the person who had used a plastic card to pay for his services.

Mr B asked SumUp to tell him the precise regulations that allowed it to request information from him. But SumUp was not required to answer all of his questions. The contract between Mr B and SumUp – which Mr B had agreed to – gave SumUp the right to refund payments made to Mr B's account if it was not satisfied that Mr B had complied with the terms of that agreement. SumUp said that Mr B's failure to answer its questions meant that it was not satisfied Mr B had in fact complied. In the individual circumstances of this case, I consider that SumUp's actions were reasonable and proportionate.

My final decision

My final decision is that I do not uphold this complaint against SumUp Payments Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 27 February 2026.

Laura Colman
Ombudsman