

The complaint

A limited company, which I'll refer to as 'N', complains that New Wave Capital Limited unfairly restricted its account and failed to provide appropriate flexibility or redress in response to its requests for support.

N's complaint is brought to this service by its director, whom I'll refer to as 'Mr K'.

What happened

N is a limited company and held a business credit card account with New Wave. Mr K is a director of N and the main point of contact for the account. The account was opened in December 2022 and operated as a revolving credit facility, with interest charged on balances not cleared in full each month in line with the credit agreement.

In October 2024, New Wave informed N about their Pro Rewards plan, a paid rewards tier offering additional benefits for an annual fee. N chose not to pay for an upgrade and remained on the free plan. In June 2025, Mr K contacted New Wave expressing dissatisfaction with the benefits available under the free plan and asked whether N could be upgraded to the Pro Rewards plan free of charge or at a reduced cost. New Wave explained that the Pro Rewards plan was a paid optional product and declined to provide a free upgrade, although they offered a small goodwill credit should N choose to upgrade.

Around the same period, Mr K contacted New Wave to discuss concerns about N's cashflow and the cost of interest on the account. He asked whether New Wave could freeze interest for a period, review the interest rate, or change N's repayment date to better align with its cashflow. During those discussions, Mr K confirmed that N was able to meet its minimum contractual repayments, but he said the ongoing interest charges were difficult to manage.

Following these conversations, on 24 June 2025, New Wave suspended N's credit card account. New Wave have explained that this was a precautionary measure taken after Mr K asked to explore a payment plan and raised concerns about cashflow, which they interpreted as a possible indication of financial difficulty. New Wave did not notify Mr K at the point the suspension was applied.

Later that day, N experienced two declined card transactions when attempting to make small value payments. Mr K contacted New Wave to query the declines and learned that the account had been suspended. Mr K wasn't happy that the suspension had not been explained or communicated in advance and raised a complaint on N's behalf.

After further contact with New Wave, Mr K clarified that N's repayments were affordable and that the business was not experiencing financial difficulty. Following a review, New Wave lifted the suspension on 26 June 2025, restoring access to the account.

New Wave responded to N's complaint and explained that they were entitled under the credit agreement to apply a suspension if they had concerns that an account holder might not be able to repay further credit, and they also confirmed that they would not freeze or refund interest where contractual repayments were affordable. New Wave also said that their

systems did not allow them to change repayment dates. However, New Wave accepted that they had failed to notify Mr K about the suspension and credited N's account with £50 to apologise for that service failing. Mr K wasn't satisfied with New Wave's response, so he referred N's complaint to this service.

One of our investigators looked at this complaint. They didn't feel New Wave had acted unfairly by suspending N's account or by declining Mr K's request for a free or reduced cost upgrade and for an interest suspension on N's account. And our investigator also felt that the £50 that New Wave had paid to N already fairly compensated it for any inconvenience N had incurred because its director hadn't been told about the account suspension. Mr K didn't agree with the view of N's complaint put forwards by our investigator, so the matter was escalated to an ombudsman 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.

Before I discuss the merits of this complaint, I should clarify the scope of my decision. The eligible complainant here is N, the limited company. This is because the complaint arises from an account held in N's name. While I appreciate that Mr K has explained how these events personally affected him, he is not, in his personal capacity, an eligible complainant here. As such, because N is the eligible complainant, I can only consider whether N has been treated fairly and reasonably by New Wave. And I'm not able to take account of Mr K's personal upset, embarrassment, or stress, except to the extent that there is clear evidence of a corresponding impact on the company itself.

I've considered whether New Wave acted fairly when they suspended N's account on 24 June 2025. Prior to that suspension, Mr K had contacted New Wave requesting a change to the repayment date, an interest freeze, and to explore a possible payment plan. Taken together, I feel it's reasonable that these requests could have been interpreted by New Wave as an indication that N might be experiencing financial pressure. And in those circumstances, I don't think it was unreasonable or unfair for New Wave to act cautiously and apply a suspension to N's account while they sought to better understand N's position.

It must be remembered that credit is offered solely at the discretion of the credit provider, in this case, New Wave. Generally speaking, a condition for offering credit is an expectation that the account holder who utilises the credit can afford to pay it back. This is one reason why the terms and conditions of credit agreements almost always – and do in this instance – enable a credit provider to suspend an account at the credit provider's discretion, if they have reasonable grounds for concern. And, as explained above, I'm satisfied that New Wave did have reasonable grounds for concern in this instance.

Once Mr K clarified that N's contractual repayments were affordable and that the business was not in financial difficulty, New Wave reviewed the position and lifted the suspension. That seems fair and reasonable to me, and I'm satisfied that the suspension itself was a proportionate and temporary measure, and I do not feel that New Wave acted unfairly in deciding to restrict the account in the first place.

New Wave have accepted that they did not inform Mr K at the point the suspension was applied. I agree that this amounted to poor service. As a result, N experienced two declined transactions which I accept would have been inconvenient for it.

However, the evidence shows that the suspension was short-lived, being applied on 24 June and removed on 26 June, and that the declined transactions were of low value. And while I

accept that N may have experienced some minor inconvenience because of what happened, I'm not persuaded that N suffered any significant financial loss, reputational damage, or prolonged disruption to its business as a direct result of the lack of notice. Neither has any evidence been provided confirming as such. And, while I understand Mr K believes the impact was greater, I feel that the evidence available supports a finding of minor and temporary inconvenience to the company, rather than material harm.

In recognition of their service failing, New Wave credited N's account with £50. Taking all the circumstances into account, I feel that amount already provides fair compensation to N for the impact on it of what happened. And I can confirm that the £50 that New Wave have paid to N is commensurate with what I might have instructed them to pay, had they not already done so.

I've also considered whether New Wave treated N unfairly by refusing to freeze or refund interest. But upon review, I'm satisfied that interest was applied in line with the terms of the credit agreement, which Mr K accepted when the account was opened. Throughout his discussions with New Wave, Mr K confirmed that N was able to meet its minimum contractual repayments. In the absence of evidence that N was tangibly unable to meet its contractual payment requirements, I don't think New Wave acted unfairly by declining to offer forbearance such as an interest freeze.

It must be noted that Mr K's request in this regard appears to have been based on a preference to reduce the cost of borrowing rather than a demonstrated inability to meet repayments. But I'm satisfied that New Wave are under no obligation to provide a waiver from contractual terms where the request is one of preference rather than need. Freezing or refunding interest in those circumstances would have been a discretionary commercial decision that New Wave were fairly entitled to decline, which they did.

I also feel that the same logic applies regarding New Wave declining to upgrade N to the Pro Rewards plan free of charge, as per Mr K's preference. The Pro Rewards plan is a paid, optional product. New Wave were transparent about its cost and benefits and were under no obligation to provide it free of charge based on N's account history or length of time as a customer. I therefore find no unfairness in New Wave's decision on this point.

Finally, Mr K has said that New Wave should have been more flexible in changing N's repayment date to better align with N's cashflow. I can appreciate why Mr K would make such a request, but New Wave has explained that its systems do not allow repayment dates to be amended once an account is set up, and I've seen nothing to suggest this explanation is inaccurate. While other providers may operate differently, firms are not reasonably required to offer facilities or functionality they do not have. Accordingly, I don't feel that New Wave acted unfairly by being unable to accommodate this request.

Taking everything into account, I won't be upholding this complaint or instructing New Wave to take any form of action here. While New Wave did fall short by failing to notify N of the temporary suspension, this was acknowledged and appropriately remedied with £50 compensation that I feel already fairly resolves that aspect of this complaint. The remaining aspects of the complaint relate to contractual terms or matters of commercial discretion, and I'm not persuaded that New Wave treated N unreasonably in those respects. I appreciate this won't be the outcome Mr K was wanting, but I hope he will understand, given all that I've explained and the impartial role of this service, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask N to accept or reject my decision before 20 May 2026.

Paul Cooper
Ombudsman