

The complaint

A company, which I'll refer to as K, complains that Stripe Payments UK Limited ceased providing services to it and closed its account.

What happened

K offers mortgage advice. K opened an account with Stripe in March 2025 to accept card payments through its website.

On 21 April 2025 Stripe gave notice to K that it would stop providing services to K on 6 May 2025. Stripe said that this was because it was unable to accept payments for certain mortgage consulting activities, as mentioned on its "Prohibited and Restricted businesses" list. K could continue to use Stripe's services until 6 May 2025.

K's director complained to Stripe, but Stripe didn't think it had acted incorrectly. So K referred its complaint to our service. One of our investigators looked into the complaint. She said, in summary, that the terms and conditions that K agreed to when it opened the account said that activities of the nature performed by K were not supported by Stripe. So she thought it was fair for Stripe to close K's account. Our investigator was satisfied that Stripe had adhered to the terms and conditions of its agreement with K in doing so.

K's director didn't agree with our investigator. In short, he said that K provides regulated services like advice and arranges mortgage and protection products. Therefore Stripe's decision to categorise K under its "restricted business" list incorrectly conflates K's regulated activities with things like lending or unregulated financial services. He said the fact Stripe's restricted businesses list didn't recognise this distinction was inherently unfair on K.

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, whilst I'm sorry to further disappoint K's directors I've come to the same conclusions as our investigator, for broadly the same reasons. But I will make some further comments below.

The terms and conditions of the agreement between K and Stripe are set out in the Stripe Services agreement. Of relevance here are the following conditions:

"You do not use the Services to conduct a Prohibited or Restricted Business, transact with any Prohibited or Restricted Business, or enable any individual or entity (including you) to benefit from any Prohibited or Restricted Business, unless Stripe has pre-approved the respective Prohibited or Restricted Business in writing."

Section 10 (j), "Representations and Warranties"

"A party may terminate this Agreement immediately upon notice to the other parties if any of the other parties materially breaches this Agreement, and if capable of cure, does not cure"

the breach within 10 days after receiving notice specifying the breach...
Section 6.1 (c), "Terminations"

Prohibited or Restricted Business is defined as the (non-exhaustive) list maintained on Stripe's website. A prohibited business is one that Stripe doesn't support at all. A restricted business is a business that Stripe "*might not be able to grant approval for your business to use our service*". One of the restricted businesses on the list is financial services.

I don't think it is unfair for Stripe to classify K as a financial services business.

K's director doesn't disagree that K performs activities which are reflected on Stripe's "Restricted business" list. Rather, his argument is that it is unfair for K to meet this definition because Stripe's restricted business list doesn't differentiate between the type of regulated activities K performs and things like lending (although I note this does appear on the "prohibited" list) or unregulated financial services activities. K's director says that it should.

I understand the director's point. But my role as an ombudsman is to decide whether Stripe has treated K fairly. It would not be appropriate for me to dictate the commercial decisions Stripe should make about the business it is willing to undertake. I don't think that would be fair. This is at heart a matter of risk appetite for Stripe. In my view, Stripe is entitled to decide its own risk appetite. I see nothing unfair or unlawful about the way in which Stripe has chosen to exercise its judgement.

I note that, when Stripe gave K notice of its intent to terminate the agreement and cease providing services, K's director provided Stripe with detail about K's business. Those details included, amongst other things, how K isn't a lender and doesn't hold client funds. These are logical points for K's director to make. But they didn't change Stripe's decision. And, for the reasons given above, I think Stripe is entitled to the discretion to make (and not alter) that decision. It follows that I think Stripe acted fairly by providing notice to K of its intent to close the account and stop providing services to K.

There is an argument that Stripe could have decided this sooner, perhaps before K opened its account. But the terms of the Stripe Services Agreement were available to K at the outset, and therefore when K entered that agreement it ought to have been aware that Stripe might classify it as a restricted business. So I don't think it would be fair for me to hold Stripe solely responsible for any error here.

In any event, even if Stripe declined to provide K services from the outset, I don't think K would be in a substantially different position. K would still need to source an alternative provider. And because Stripe provided K notice of 14 days before it stopped providing the services, while K was able to continue using Stripe's services until then, I don't think K has been unfairly inconvenienced by Stripe's decision either.

My final decision

My final decision is that I do not uphold this complaint about Stripe Payments UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask K to accept or reject my decision before 2 January 2026.

Laura Colman
Ombudsman