

## The complaint

A company, which I'll refer to as D, complains that following the transfer of its merchant acquiring services from another provider to Teya Solutions Limited (Teya), they failed to update its bank account details so that D could receive transaction settlements. D says the failure meant nine months' worth of payments belonging to it were paid elsewhere and Teya have unfairly declined to reimburse or help it recover them.

In bringing this complaint, D is represented by its director, who I'll refer to as Mr T.

## What happened

Mr T told us:

- In May 2024, Teya's agent visited D's place of business. After being offered more competitive fees, D switched providers and entered into a contract with Teya for the provision of merchant acquiring services.
- A Teya supplied card terminal was already in existence at the business premises and Teya's agent said D didn't need a new one. After giving the agent D's bank details, the agent said he'd update them on the system so D could start using the machine and receive its money.
- But the agent didn't set up D's bank account as promised, which meant it wasn't linked to the existing card terminal. Between May 2024 and February 2025, therefore, D didn't receive over £13,000 worth of transaction settlements.
- He complained to Teya in February 2025 when he discovered what had happened. But Teya said they couldn't help.

Teya told us:

- A Teya account (the Account) associated with the business was already in existence at the time of D's onboarding in May 2024. The Account had been created on 11 August 2022 and had a registered bank account for transaction settlements. After May 2024, payments were made into the bank account that was linked to the Account.
- Teya's sales agents aren't authorized to update bank details. And they received no instructions from D to update any bank details until 4 February 2025 when D contacted them about not receiving payments.
- Section 4.6 of the terms and conditions of Teya's agreement with D, states the payout for card transactions is carried out the following business day. So, D's failure to contact them about the lack of payments between May 2024 and February 2025 is unreasonable.

Our investigator upheld the complaint in part. She said – in summary:

- Teya made errors. They failed to update D's bank account details and didn't provide it with a new card terminal. Nonetheless, as a business owner, Mr T ought

reasonably to have kept track of D's transaction settlements. And had he done so, he'd have noticed none was being paid into its bank account and raised the matter with Teya sooner than he did. That way D's losses would have been far less.

- To compensate D, Teya should settle the transactions that were processed using the card machine over a seven-day period, starting from the day the first transaction was processed.

Teya accepted the investigator's conclusions. And based on her recommendation, they calculated D was due £422.45. They agreed to pay D that amount.

Mr T didn't accept the investigator's recommendation. He said D should have all its settlements paid to it in full.

### **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.

Where the evidence is incomplete or inconclusive (as indeed some of it is here) I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

*did Teya make an error during D's on boarding?*

During my review of this case, I asked Teya for further details about the Account. Including clarification regarding its ownership. Teya said it belonged to a business, which I'll refer to as R. And that Mr T acquired the business and the premises from which it operated. They acknowledge a Teya card terminal was already on site, that it was registered to R on their systems and had its own bank account.

So, given D did not have its own bank account linked to the existing terminal, as noted above, it was into the bank account belonging to R that settlements for transactions generated by D between May 2024 and February 2025 were paid.

Although I note Mr T's submission the reason this occurred was due to an error by Teya's agent with whom he dealt in May 2024, the agent no longer works for Teya. So, I do not have their version of events.

Nonetheless, Teya have acknowledged they were partly responsible for what happened albeit, they argue they shouldn't have to reimburse the full £13,000 to D because of Mr T's delay in contacting them.

I've thought therefore, about how fairly Teya should compensate D. And here, like the investigator, I don't think it would be fair for Teya to refund the full £13,000 to D. I'll explain why.

I agree with the investigator, Mr T should have noticed D was not receiving transaction settlements far sooner than he did. And Mr T acknowledges this.

In the circumstances, I also think the investigator's observation that the concept of loss mitigation is relevant when determining what would be fair compensation in this case. By that I mean we'd expect complainants to take reasonable steps to mitigate the impact of an error by the business they are trading with.

So, when thinking about D's case, I think it's reasonable to expect Mr T to check D's bank account regularly to make sure it was operating appropriately. More to the point that it was receiving the anticipated transaction settlements after on boarding to Teya in May 2024. Had Mr T done so, he'd have noticed the lack of payments and raised this with Teya far sooner than he did. For that reason, I don't think Teya should have to refund the entire £13,000 transaction settlements to D.

I think the compensation should be limited, as the investigator proposed, to the point Mr T ought reasonably to have noticed the lack of transaction receipts. I also think the seven-day time period proposed by the investigator is fair and reasonable. After a week, it is not unreasonable Mr T should have noticed there were no receipts into D's bank account. And given Teya did put things right as soon as Mr T raised the matter in February 2025, I've no reason to believe they wouldn't have acted as quickly to put things right then.

For all the above reasons, I don't think I can fairly require Teya to reimburse D the full £13,000 Mr T told us it has lost arising from these events

### **Putting things right**

Teya has calculated the total transactions processed on behalf of D over a seven-day period starting from the date of the first transaction in May 2024 at £422.45. And should pay to D this amount less any applicable fees.

### **My final decision**

My final decision is I uphold this complaint in part and direct Teya Solutions Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask D to accept or reject my decision before 6 May 2026.

Asher Gordon  
**Ombudsman**