

The complaint

Mr S complains that Squareup Europe Ltd deactivated his merchant account and had his name added to the MasterCard Alert to Control High-risk Merchants (or MATCH) list under code 10 (violation of standards). He wants the service reinstated and to be told the reasons for Squareup's decision.

What happened

Mr S runs a business as a sole trader. In July 2023 he opened an account with Squareup to enable him to take card payments through the MasterCard network.

In October 2023 Squareup deactivated Mr S's account. Mr S says it gave no reasons for or notification of its decision.

Mr S says he did not find out about the deactivation of his account until the spring of 2025. In the meantime, he had been able to take payments by other means. He found out about the MATCH listing through a data subject access request and complained to Squareup.

Squareup said that it had acted fairly and would not tell Mr S the exact reason for the deactivation of the account. It said too that it would not reverse its decision.

Mr S referred the matter to this service, where one of our investigators considered what had happened. She thought that Squareup had acted fairly and did not recommend that the complaint be upheld.

Mr S did not accept the investigator's assessment and asked that an ombudsman review the case.

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.

In making its submissions, Squareup asked that some of the evidence and arguments which it submitted be kept confidential and not be disclosed to Mr S. This service can accept evidence in confidence where it considers it appropriate to do so (DISP3.5.9(2)R). Having considered carefully the nature of the evidence in this case, I am satisfied that it is appropriate to accept some of it in confidence.

The evidence which Squareup has provided includes its reasons for believing that Mr S was in breach of the account terms to which he agreed when he opened his account in 2023. Having considered that evidence very carefully, I think it is likely that he was in breach of those terms. It was certainly reasonable for Squareup to reach that conclusion. It was therefore also reasonable to deactivate Mr S's account and to notify MasterCard of the reasons why it had done so. I do not believe however that Squareup needed to give Mr S advance notice of the account deactivation or to tell him the reasons for its decision.

My final decision

For these reasons, my final decision is that I do not uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 March 2026.

Mike Ingram
Ombudsman