
STATUTORY INSTRUMENTS

2009 No. 209

The Payment Services Regulations 2009

PART 6

**RIGHTS AND OBLIGATIONS IN RELATION
TO THE PROVISION OF PAYMENT SERVICES**

Authorisation of payment transactions

Payer's liability for unauthorised payment transaction

62.—(1) Subject to paragraphs (2) and (3), the payer is liable up to a maximum of £50 for any losses incurred in respect of unauthorised payment transactions arising—

- (a) from the use of a lost or stolen payment instrument; or
- (b) where the payer has failed to keep the personalised security features of the payment instrument safe, from the misappropriation of the payment instrument.

(2) The payer is liable for all losses incurred in respect of an unauthorised payment transaction where the payer—

- (a) has acted fraudulently; or
- (b) has with intent or gross negligence failed to comply with regulation 57.

(3) Except where the payer has acted fraudulently, the payer is not liable for any losses incurred in respect of an unauthorised payment transaction—

- (a) arising after notification under regulation 57(1)(b);
- (b) where the payment service provider has failed at any time to provide, in accordance with regulation 58(1)(c), appropriate means for notification; or
- (c) where the payment instrument has been used in connection with a distance contract (other than an excepted contract).

(4) In paragraph (3)(c) “distance contract” and “excepted contract” have the meanings given in the Consumer Protection (Distance Selling) Regulations 2000⁽¹⁾.

⁽¹⁾ S.I. 2000/2334.