STATUTORY INSTRUMENTS

2017 No. 752

The Payment Services Regulations 2017

PART 7

Rights and Obligations in Relation to the Provision of Payment Services

Execution of payment transactions

Refusal of payment orders

82.—(1) Subject to paragraph (4), where a payment service provider refuses to execute a payment order or to initiate a payment transaction, it must notify the payment service user of—

(a) the refusal;

(b) if possible, the reasons for such refusal; and

(c) where it is possible to provide reasons for the refusal and those reasons relate to factual matters, the procedure for rectifying any factual errors that led to the refusal.

(2) Any notification under paragraph (1) must be given or made available in an agreed manner and at the earliest opportunity, and in any event within the periods specified in regulation 86.

(3) The framework contract may provide for the payment service provider to charge the payment service user for such refusal where the refusal is reasonably justified.

(4) The payment service provider is not required to notify the payment service user under paragraph (1) where such notification would be otherwise unlawful.

(5) Where all the conditions set out in the payer's framework contract with the account servicing payment service provider have been satisfied, the account servicing payment service provider may not refuse to execute an authorised payment order irrespective of whether the payment order is initiated by the payer, through a payment initiation service provider, or by or through a payee, unless such execution is otherwise unlawful.

(6) For the purposes of regulations 86, 91 and 92 (payment transactions to a payment account and non-execution or defective or late execution of a payment transaction) a payment order of which execution has been refused is deemed not to have been received.