

## **The complaint**

Ms B is unhappy with Paysafe Financial Services Limited's (trading as Neteller) decision to close her account and retain her funds.

## **What happened**

In August 2019, Ms B opened an account with Neteller and made deposits into it. She said she mainly used the account to receive money for freelancing work. In December 2019, Neteller conducted a review of Ms B's account. Following the review, Neteller decided to close the account with immediate effect. At the time Ms B's balance was around \$2,400 USD.

When it closed the account, Neteller asked Ms B to provide a selfie photograph holding an identification document and utility bill as part of its verification process, so that it could return Ms B's balance to her. Neteller also asked Ms B to provide certified copies of her bank statements. The documents Ms B provided failed that verification check. So Neteller didn't release Ms B's balance.

Ms B was informed about Neteller's decision. They told Ms B that to be able to approve a refund of her remaining account balance she would need to submit a further a picture of herself holding her ID document in close sight of her face and a recently issued utility bill confirming her address. Ms B sent Neteller further photos and documents. However, all the address documents and bank statements Ms B submitted were rejected as they did not meet Neteller's security and verification requirements.

Ms B was unhappy about Neteller's actions and complained. She explained that she needed access to her funds as she was suffering from a serious health condition, was in severe financial hardship, unable to buy food for her young child and pay for medical treatment for her husband. To try and move things forward, Neteller arranged to speak to Ms B via a video call 24 January 2023, so that it could complete its security and verification requirements. However, Ms B didn't attend the call. Following this Ms B contacted Neteller to say that due to problems with the camera on her mobile phone she couldn't join the video call.

Neteller organised another video call with Ms B in April 2023. On this occasion a photograph of a different woman appeared on the screen. The photograph didn't resemble the photographic evidence previously submitted by Ms B and appeared to be a totally different person – despite claiming to be Ms B. Neteller asked the individual security questions about Ms B and her account, but the individual wasn't able to satisfy Neteller that they were speaking to the genuine Ms B, so, the call was ended. To date Neteller are still withholding the account balance.

Ms B was unhappy about the actions taken by Neteller, so she referred a complaint to this service. It was looked at by one of our investigators who said Neteller hadn't done anything wrong. Ms B disagreed. She says she's submitted various documents including photographic identification and doesn't understand why Neteller won't release the money in the account back to her. She wants to be told what's wrong with the documents she's

submitted to Neteller. And she wants her money back. She's explained that not having access to the funds has had a terrible impact on her life and mental health, so much so that she has considered taking her own life.

As no agreement could be reached the complaint has come to me to decide.

### **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.

It's clear from what Ms B has told us and Neteller that she feels very strongly about her complaint. I'm sorry to hear that Ms B has been unwell because of what happened. I've read and considered all of Ms B's submissions regarding her complaint, but I'll concentrate on what I think is relevant. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think it is the right outcome.

I'll deal first with Neteller's decision to close Ms B's account. As the investigator has already explained, it's generally for financial institutions to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Each financial institution has its own criteria and risk assessment for deciding whether to open or close accounts and providing an account to a customer is a commercial decision that a financial institution is entitled to take. Unless there's a very good reason to do so, this service won't usually say that a bank must keep customer or require it to compensate a customer who has had their account closed.

I know Ms B is upset that Neteller closed her account. But having looked at all the information available to me, including Neteller's actions and the information it's provided I'm satisfied that Neteller had sufficient grounds to close Ms B's account and did so in line with the terms and conditions of the account. So, I can't say Neteller has treated Ms B unfairly when it decided it no longer wanted her as a customer and closed her account.

The crux of Ms B's complaint is that she wants the funds in her account, which is around \$2,400 USD returned to her. She's said that this is money she has earned through freelancing work. It seems Neteller is willing to release the money to Ms B. But in order to do so Ms B has to complete Neteller's verification process, which I don't find unreasonable.

I can see that Neteller has clearly explained this to Ms B on more than one occasion. And told her that this process is its standard procedure. So, I'm satisfied that Ms B understands what she needs to do in order to satisfy Neteller's request. I'm also satisfied that Neteller has these processes in place in order to comply with its legal and regulatory obligations when providing accounts to customers. So, I can't say Neteller have done anything wrong by asking Ms B to provide the documents and verify her identification in order to complete this process.

I appreciate that Ms B has supplied Neteller with a number of documents on at least two separate occasions. And that not having access to the funds has made things difficult for her financially. But I can also see that Neteller has told Ms B what she needs to provide in order for the funds to be released to her. Neteller has also confirmed that the documents provided by Ms B to date aren't acceptable. Having looked at the documents I don't think that's unreasonable.

I can also see that Neteller have arranged two separate video calls with Ms B in an effort to complete its verification process and release the funds. I've watched the video recordings of

these two calls. On the first call in January 2023, Ms B simply didn't attend. A further call took place in April 2023 but having watched the video recording it's very clear to me that the individual taking part in the call purporting to be Ms B isn't the same woman who had been in contact with Neteller up until this point. As a result, Neteller couldn't complete its verification process. Overall, I think Neteller had good reason for withholding Ms B's account balance as it wasn't able to verify who they were speaking to – based on the recording I'm satisfied that it wasn't the account holder, Ms B. So, it's up to Ms B to now provide the information necessary in order to be sent the funds.

I know Ms B wants to know exactly what the problem was with the documents she provided Neteller. But I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. Some of the information Neteller has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Ms B, but I'd like to reassure her that I have considered everything.

In summary, I recognise how strongly Ms B feels about what's happened. I don't doubt it has been a frustrating and worrying time. So, I realise Ms B will be disappointed by my decision. But overall, based on the evidence I've seen, I can't say Neteller have acted unreasonably and treated Ms B unfairly in taking the actions it did. So, I won't be asking Neteller to release the funds held in Ms B's account back to her.

### **My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 31 July 2023.

Sharon Kerrison  
**Ombudsman**