

## **The complaint**

Mr S complains that he lost access to his account with PayPal (Europe) Sarl et Cie SCA ("PayPal") and that his account was limited.

## **What happened**

The details of this complaint are well known to both parties, so I will not repeat them again here. The facts are not in dispute so I will focus on giving the reasons for my decision.

## **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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

For me to say PayPal did something wrong, I'd need to be satisfied that they failed to act within the terms of the account's User Agreement. Or, if I feel like they did work within these, that it was unfair for it to limit the account in the circumstances of this complaint. And in this situation, I don't think that's the case.

- PayPal have supplied information to show they have attempted to send security verification messages to Mr S's mobile phone. Although there does appear to be an issue with Mr S receiving these messages, I'm satisfied the issue is not with PayPal sending them and more likely than not due to Mr S residing abroad.
- PayPal limited Mr S's account. Our service won't generally get involved in a business's decision to end a relationship with one of its customers, but we can look at whether it's been done fairly. On this occasion I think it has been.
- When Mr S opened his PayPal account, he signed up to its User Agreement. In the User Agreement it says

## **RESTRICTED ACTIVITIES**

*Access the PayPal services from a country that is not included on our permitted countries list.*

- It's clear Mr S is residing in one of the countries not on the permitted list. So, I don't find it unfair or against the User Agreement when PayPal have limited Mr S's account.
- I understand Mr S has resided abroad for some time and has been able to use his account from that country. Although I understand Mr S's frustration that it's only now, he has had his account limited, PayPal can do this at any time. Although Mr S may have been able to use his account for some time without PayPal reviewing or limiting it, I'm satisfied that it's not a reason to now ignore the

fact Mr S has an account that is against the restricted activity section of the User Agreement. It's also common industry practice for firms to monitor accounts for activity which may fall outside their risk appetite.

- PayPal have agreed to transfer Mr S his account balance once he provides identification documents. I've seen the documents PayPal have asked for and they are reasonable given the limitation.

In summary PayPal can limit and close an account at any point over the duration of its relationship with a user. It has done in the circumstances of this complaint, and I haven't found it acted unfairly or outside of the terms of the account by doing so.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 9 August 2023.

Tom Wagstaff  
**Ombudsman**