

The complaint

Mr S is unhappy with Skrill Limited's decision to close his account and not allow him to withdraw the remaining funds.

What happened

Mr S opened an account with Skrill in May 2023 and made deposits into it. Mr S has explained that Skrill isn't his main account, and he used the account to send and receive funds from friends and clients. Mr S has told us that he teaches tricks for online games and receives fees from clients.

In August 2023, Skrill decided to review how Mr S was operating his account. Following its review Skrill decided to close Mr S's account immediately and refused to refund the remaining balance in the account. At the time Mr S had just over \$2,500 USD in his account.

Mr S wasn't happy about this and complained. He said he hadn't done anything wrong and asked Skrill to refund his account balance to him. In response, Skrill said it had closed the account in line with the terms and conditions. They confirmed a refund had been declined.

Mr S brought his complaint to our service where one of our investigators looked into what had happened. The investigator reviewed all the evidence and said that Skrill hadn't done anything wrong when it had closed Mr S's account and retained the funds.

Mr S disagreed. He maintained that the money belongs to him and wants it released back to him. He also said that he hadn't done anything wrong so Skrill shouldn't have closed his account.

As no agreement could be reached, the matter 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks and financial businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Skrill 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 Mr S, but I'd like to reassure him that I have considered everything.

I'll deal first with Skrill's decision to review Mr S's account. Skrill have important legal and regulatory obligations they must meet when providing accounts to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. If Skrill has concerns about how an account is being

used, then its right that they restrict, or even close the account. The terms of Mr S's account make provision for this.

Having looked at all the evidence, I'm satisfied that Skrill acted in accordance with these obligations and the terms of the account when it reviewed and restricted Mr S's account. So, I can't say Skrill treated Mr S unfairly when it decided to review his account. The end result of the review was that Skrill decided they didn't want to provide account facilities to Mr S anymore and issued him the notice to close in August 2023.

I've gone on to consider whether Skrill acted fairly when it closed Mr S's account. It's generally for banks and financial businesses to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank must keep a customer or require it to compensate a customer who has had their account closed.

Skrill have relied on the terms and conditions of Mr S's account, and they don't have to provide their reasons to Mr S for closing his account. But they have provided reasoning to our service, which I'm satisfied that the rules of our service allow me to treat as confidential. Having looked at this information, I'm satisfied that Skrill's concerns are legitimate. So, I don't see its unreasonable that they decided to close Mr S's account without notice, which is in line with the terms of the account.

The crux of Mr S's complaint is that he wants the money in his account, which is around \$2,500 USD returned to him. Mr S has said that this is money he has earned through teaching tricks to people about online gaming. And money that friends have given him. All of which he says he was intending to save.

Skrill have declined to return the remaining balance of the account to Mr S. Having looked at the information provided by Skrill, and what Mr S has said about the funds, I don't think that is unreasonable. This means I won't be directing Skrill to release the money to Mr S, that's because based on the evidence I've seen, I'm not satisfied that he is entitled to the funds. Overall, I'm satisfied that this decision is in line with the terms of the account and Skrill's wider legal and regulatory obligations.

In summary, I recognise how strongly Mr S feels about his complaint, so I realise he will be disappointed by my decision. But overall, based on the evidence I've seen and circumstances of this case, I can't say Skrill have acted unreasonably or treated Mr S unfairly in taking the actions it did. So, I won't be asking Skrill to do anything further to resolve Mr S's complaint.

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 Mr S to accept or reject my decision before 30 September 2024.

Sharon Kerrison
Ombudsman