

The complaint

Mr H complains that PayPal (Europe) Sarl et Cie SCA (PayPal) have provided his contact details to a third party putting his security at risk.

What happened

Mr H said after making a purchase with PayPal his address and telephone details were sent to the seller. And they'd passed his details to other parties. Mr H said that the information PayPal had passed on put his security at risk as it provided several verification details about him. Mr H complained to PayPal and asked that his address and phone number are kept separate, and that both aren't provided to the sellers.

PayPal said that the correct procedures were followed and were in accordance with their User Agreement and Policies. But offered Mr H £500 for the inconvenience this had caused.

Mr H wasn't happy with PayPal's response and referred his complaint to us.

Our investigator said that PayPal had followed their procedures which Mr H had agreed to when he opened the account. He didn't ask PayPal to do anything further.

Mr H didn't agree and asked for an ombudsman 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.

Having done so I'm not upholding this complaint. I'll explain why.

It may help to explain that this service was set up to consider individual complaints, so it's not the role of the Financial Ombudsman Service to make findings about a business's wider practices or processes – that is something for the regulator, the Financial Conduct Authority (FCA) to do.

Mr H said PayPal shouldn't have sent his address and telephone details to the seller. I can understand Mr H is concerned about how his data is being used. While I empathise with Mr H's position, for me to say PayPal must do something different I must first be satisfied that they've done something wrong. I can't see that they have here which is why I won't be asking them to do anything else.

On opening a PayPal account, the user – Mr H, is required to agree to PayPal's Privacy Statement and User Agreement. I've considered these when reaching my decision.

PayPal's Privacy Statement says its aim is to provide sufficient information about how they use the personal data that's given to them. The Privacy Statement details amongst other

information, what personal data is collected, how its stored and used. For contact information it says:

“Registration and Contact Information. Depending on the Services you choose, we will collect your name, mailing address, income, telephone number, tax ID, Payment Information, profession, employment or business information, and other information necessary to establish an account.”

I'd consider this is clear that Mr H's address and telephone number is amongst the data collected by PayPal.

The Privacy Statement goes on to say how this data can be used. The Privacy Statement is clear that it isn't shared with other parties for marketing purposes. But:

“With merchants and others involved in a transaction, for example when you use the Services to initiate online purchases, pay other Users, or return goods we may share information about you and your Account with the other parties involved in processing your transactions. The legal basis for this processing is the performance of our contractual obligations to you. Please note that Personal Data shared with merchants involved in a transaction is subject to the merchants' own privacy policy and procedures.”

I'm satisfied that PayPal have made clear that Mr H's data could be shared with the seller he made his purchase with. So, I don't think PayPal has done anything wrong as they have adhered to their Privacy Statement which Mr H agreed to as a PayPal user.

Mr H said after making his purchase he was contacted by other third parties. PayPal have offered Mr H £500 to compensate him for his poor experience. As I don't think PayPal has done anything wrong its for Mr H to decide whether to accept PayPal's offer.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 21 October 2022.

Anne Scarr
Ombudsman