

The complaint

Mr M says he suffered a financial loss of 57.1CHF after Skrill Limited converted a payment he made from his Skrill account to his bank account into euros - when both accounts are swiss franc accounts.

What happened

Mr M transferred 835.75CHF from his Skrill account to his swiss franc bank account. Skrill converted the payment into euros when it left his account and then back into swiss francs when it sent it to his bank. This meant he received 778.65CHF. There was also a flat fee of 5.5 euros for the transfer but Skrill subsequently refunded this.

Mr M says this double conversion is unfair and not set out in Skrill's terms and conditions. He was not made aware of this when he opened his account. Skrill says it cannot detail every scenario in its terms or on its website, and Mr M was informed of the euro conversion prior to his transfer. Plus he could always have contacted it to ask for more information.

Mr M wants Skrill to refund the 57.1 CHF as it failed to inform him of this important condition when he opened his account.

Our investigator upheld Mr M's complaint. He felt it was unfair and misleading that Skrill did not make clear the withdrawal conditions for same currency payments, given it does for payments between different currency accounts. He felt however it had made clear that there would be a flat fee. He said Skrill must refund 57.1CHF to Mr M.

Skrill disagreed and asked for an ombudsman's review so the complaint was passed to me.

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 am upholding Mr M's complaint.

I find that Skrill failed to provide information to Mr M in a way that is clear, fair and not misleading, as it is obliged to. It acknowledges itself in its final response letter that *'We understand that by opening a Skrill account in CHF you might have expected that withdrawals to your CHF bank account will be processed in the same currency'*.

The double conversion in and out of euros for payments in the same currency is key information with financial implications for an accountholder. And so it should have been made clearer to Mr M. Skrill has said that Mr M cannot have expected a free way to transfer his money out. But that is not his complaint, nor what he sought. Skrill chose to refund the flat fee it charged, but Mr M was not contesting the legitimacy of this fee. Rather, he was saying it was unfair the terms did not explain the scenario he went on to experience. I can see, as Skrill has pointed out, that the euro conversion was detailed on the screen Mr M saw prior to confirming his withdrawal. But like the investigator I would expect this to also be

detailed in the terms if Skrill is to fairly operate and rely on this condition – particularly given that it is most likely contrary to customers' expectations as Skrill seems to accept.

It follows in the circumstances of this complaint I find it fair for Skrill to refund the 57.1CHF to Mr M's account. As Mr M is now aware of the condition of such withdrawals, I would not expect him to proceed with similar transactions unless he is accepting of this condition.

Putting things right

Skrill must refund 57.1CHF to Mr M's account.

My final decision

I am upholding Mr M's complaint. Skrill Limited must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 February 2023.

Rebecca Connelley
Ombudsman