

The complaint

Mrs B complains that Paysafe Financial Services Limited (trading as Neteller) unreasonably blocked her account and withheld the funds from her. She'd like the funds released.

What happened

In March 2022 Mrs B opened an account with Neteller and deposited funds into. But in April 2022 Neteller blocked and later closed the account. There remained a balance of approximately \$2,000USD.

To return the remaining funds, Neteller asked Mrs B for identification documents which she provided. But Neteller weren't satisfied with them and declined to release the funds.

Unhappy with this, Mrs B complained to our service. She said she needed the money urgently. One of our investigators took a look but didn't think Neteller had done anything wrong. They said the business had a right to close the accounts and had done so in line with the terms of the account. They were satisfied that Neteller's concerns about the documents was reasonable, so didn't think the funds should be returned to Mrs B.

Mrs B disagreed, saying the money was hers from savings. As no agreement could be reached the complaint has been passed 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.

Firstly, Neteller generally have a right to determine who they want as a customer. Each financial institution will have their own criteria and risk assessments when deciding whether to provide an account to a particular individual. This is generally a commercial decision for them to make. Unless there is a very good reason to do so, our service generally won't say a firm should keep an account open or ask for compensation just because an account was closed.

In this case, I can understand why Mrs B would be frustrated Neteller closed the account. But having reviewed the information provided by Neteller about why they did so, I'm satisfied they did so in line with the terms and conditions of the account. So, I can't say that they've treated her unfairly or unreasonably by closing the account.

But the most important aspect to Mrs B is the remaining funds in the account. In order to release these funds Neteller have a verification process in place – which is in line with their legal and regulatory obligations. I don't see this as an unreasonable imposition on Mrs B, so I don't see they've done anything wrong by withholding the funds while they do.

I can see that Mrs B has given Neteller several documents to demonstrate her identity and address. But I can also see Neteller have confirmed that the documents Mrs B has provided so far aren't acceptable to them. Having reviewed these documents, and Neteller's

reasoning, I don't see this as unreasonable.

Without identity documents they will accept, I don't think it's unreasonable that Neteller decline to release the remaining funds. As such, I'm not going to ask them to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 27 March 2024.

Thom Bennett
Ombudsman