

The complaint

Mr F complains that Dzing Finance Ltd has blocked his payment account, that it has not credited a payment made to the account, and that it won't release funds to him.

What happened

Mr F has an account with Dzing. He has explained that he uses the account mainly for gambling transactions.

In May 2023 Dzing started a review of the account and asked Mr F various questions to meet its "know your customer" (KYC) obligations. They included questions about the source of funds paid into the account, a request for proof Mr F's address, and information from casinos about Mr F's accounts with them. In the meantime, Mr F restricted access to his account.

Mr F said he could not provide evidence of the original source of funds to the account and that casinos could only provide limited information – and not the information which Dzing had requested. He provided a copy of a rental agreement which, he said, was evidence of his address.

Dzing was not satisfied with the evidence and information which Mr F had provided. It is not prepared to lift restrictions on the account or to release funds to him.

Mr F referred the matter to this service. One of our investigators issued a preliminary assessment. He was not persuaded that Mr F had provided the information which Dzing had requested and did not therefore recommend that Dzing lift the account restrictions or release funds to Mr F.

The investigator noted that the "missing" payment had been made to old account details and concluded that it was likely therefore that the funds had been returned to source. In the circumstances, he did not recommend that Dzing credit the payment to Mr F's account.

Mr F did not accept the investigator's assessment and asked that an ombudsman review the case.

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, however, I have reached the same overall conclusions as the investigator did, and for broadly the same reasons.

Banks and other financial businesses are required to ensure that they have information about their customers, and they will review that information from time to time. In this case, I think that Dzing was within its rights to request the information it did from Mr F. And, as is common, it was also entitled to restrict Mr F's account while it completed its investigations.

I have considered carefully the information which Mr F provided in response to Dzing's enquiries. It is not for me to say whether that information was sufficient to meet Dzing's KYC obligations; that is primarily a matter for Dzing to decide. I do believe however that it was reasonable for Dzing to take the view that Mr F had not provided enough. I shall not therefore require Dzing to release funds in the account or to lift the account restrictions.

I agree too with the investigator's assessment of the "missing" payment. I think it likely in the circumstances that it was returned to source, so Mr F will need to pursue the payer if he wants to receive it.

My final decision

For these reasons, my final decision is that I do not uphold Mr F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 17 September 2024.

Mike Ingram
Ombudsman