

The complaint

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

What happened

Mr Y opened an account with Skrill in August 2021 and made deposits into it.

In January 2024, Skrill decided to review how Mr Y was operating his account. Following its review Skrill decided to close Mr Y's account immediately.

When it closed the account, Skrill asked Mr Y to provide a selfie photograph holding an Identification. Skrill also asked Mr Y to provide certified copies of his bank statement. The bank documents Mr Y provided failed that verification check. So Skrill didn't release Mr Y's balance.

Mr Y was informed about Skrill's decision. They told Mr Y that to be able to approve a refund of his remaining account balance he would need to submit further bank statements. Mr Y sent Skrill further documents. However, all the bank statements Mr Y submitted were rejected as they did not meet Skrill's security and verification requirements.

Mr Y was unhappy about Skrill's actions and complained. In response, Skrill said it had reviewed and closed Mr Y's account in line with the terms and conditions. And that it had explained to Mr Y what he needed to do to gain access to his funds.

Mr Y was unhappy about the actions taken by Skrill, so he referred a complaint to this service. It was looked at by one of our investigators who said Skrill hadn't done anything wrong. Mr Y disagreed. He says he's submitted various documents including photographic identification and doesn't understand why Skrill won't release the money in the account back to him.

Mr Y wants to be told what's wrong with the documents he's submitted to Skrill. And he wants his money back.

As no agreement could be reached the complaint 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'll deal first with Skrill's decision to close Mr Y's account. As the investigator has already explained, it's generally for financial institutions to decide whether they want to provide, or to continue to provide, banking facilities to any particular customer. Each financial institution has its own criteria and risk assessment for deciding whether to open or close accounts and providing an account to a customer is a commercial decision that a financial

institution is entitled to take. Unless there's a very good reason to do so, this service won't usually say that a bank or financial business must keep customer or require it to compensate a customer who has had their account closed.

I know Mr Y is upset that Skrill closed his account. But having looked at all the information available to me, including Skrill's actions and the information it's provided to this service, I'm satisfied that Skrill had sufficient grounds to close Mr Y's account and did so in line with the terms and conditions of the account. So, I can't say Skrill has treated Mr Y unfairly when it decided it no longer wanted him as a customer and closed his account immediately.

The crux of Mr Y's complaint is that he wants the funds in his account, which is around \$2,000 USD returned to him. It seems Skrill is willing to release the money to Mr Y. But in order to do so Mr Y has to complete Skrill's verification process, which I don't find unreasonable.

I can see that Skrill has clearly explained this to Mr Y on more than one occasion. And told him that this process is its standard procedure. So, I'm satisfied that Mr Y understands what he needs to do to satisfy Skrill's request. I'm also satisfied that Skrill has these processes in place to comply with its legal and regulatory obligations when providing accounts to customers. So, I can't say Skrill have done anything wrong by asking Mr Y to provide the documents and verify his identification to complete this process.

I appreciate that Mr Y has supplied Skrill with several documents on at least two separate occasions. And that not having access to the funds has made things difficult for him financially. But I can also see that Skrill has told Mr Y what he needs to provide in order for the funds to be released to him. Skrill has also confirmed that the documents provided by Mr Y to date aren't acceptable. Having looked at the documents I don't think that's unreasonable. This means I won't be directing Skrill to release the money held in the account back to Mr Y.

Overall, I think Skrill had good reason for withholding Mr Y's account balance as it wasn't able to verify the documents Mr Y provided to them. So, it's up to Mr Y to now provide the information necessary in order to be sent the funds.

I know Mr Y wants to know exactly what the problem was with the documents he provided Skrill. But I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for several reasons – for example, if it contains information about other customers, 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 Y, but I'd like to reassure him that I have considered everything.

In summary, I recognise how strongly Mr Y feels about what's happened. I don't doubt it has been a frustrating and worrying time. So, I realise Mr Y will be disappointed by my decision. But overall, based on the evidence I've seen, I can't say Skrill have acted unreasonably and treated Mr Y unfairly in taking the actions it did.

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 Y to accept or

reject my decision before 9 April 2025.

Sharon Kerrison
Ombudsman