

The complaint

Mr H has complained that eBay Commerce Ltd (“eBay”) put a hold on money that he’d received after selling an item on eBay’s marketplace, for an unreasonable amount of time.

What happened

Mr H sold an item on eBay’s marketplace on 22 November 2024, and the buyer provided positive feedback confirming the item had been safely received. However, Mr H didn’t receive the money from the sale until around 30 days after the sale was made. Unhappy with this Mr H raised a complaint with eBay.

In response to his complaint eBay confirmed that a 30-day hold had been placed on the money that was due to him, and that he would receive his money on 23 December 2024. eBay explained this applied because he’d not sold any items for over a year and because the item he’d sold was an electronic device.

eBay explained that a hold is usually placed because, if a ‘case’ is opened by the buyer, the funds are available to eBay should a refund need to be given.

eBay also acknowledged that Mr H was unhappy with the delay in receiving his money as he said he needed the money to pay for a repair on his car and not having access to the money was causing him financial difficulties.

Mr H’s funds were subsequently released by eBay on 22 December 2024.

Unhappy with eBay’s response to the complaint, Mr H referred his complaint to this service.

One of our investigators assessed the complaint and they didn’t uphold the complaint. As Mr H didn’t agree with the investigator’s assessment, the matter was referred for an ombudsman’s decision.

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’ve decided not to uphold Mr H’s complaint. I’ll explain why.

eBay says Mr H agreed to its Payments Terms of Use on 8 July 2021. Under *Section 7 Using Managed Payments* it says:

“We reserve the right to manage the risks associated with providing you the Payment Services, by placing restrictions on your access to your funds when deemed necessary, as described in further detail below.

You agree that we may place holds on your funds or instruct a payment service provider to hold your funds, prior to disbursement....

A hold may be placed if we have reason to believe there is an increased risk associated with the provision of our Payment Services or with a certain Managed Payment transaction, for example if we cannot verify your identity or if your buyer files a dispute...

We take into consideration relevant factors when assessing the risks including selling history, seller performance, seller type, returns and cancellations, chargebacks, riskiness of the listing category, transaction value, the ability to make direct debits from your Linked Financial Account, and the filing of eMBG claims."

The Payment Terms of Use links to eBay's holds help page which contains further information including:

- *"New or infrequent sellers will experience transaction holds while learning best selling practices. This helps sellers become established and build a strong selling history on eBay. New sellers typically experience holds for up to 14 days, although sometimes it may be longer."*

eBay says it holds funds for a number of reasons in order to encourage best-selling practices and to ensure sellers are successfully filling orders. It wants to ensure its sellers are providing great experiences for its buyers.

eBay says it also wants to mitigate any loss for eBay should buyers open claims or disputes, after they have received the goods. If funds are held, eBay has explained that this reduces the need to seek reimbursement from sellers or attempt to change their payment methods, as it already has the funds on hold.

eBay says Mr H experienced a hold on his funds for 30 days because he was considered an infrequent seller. I also understand that as Mr H had sold an electronic item, this may've also been a factor in why the hold was placed – essentially to mitigate for the possibility that the buyer discovers a fault with the item once they have started to use it and then raises a claim with eBay. Mr H has referred to the fact that the buyer gave him a positive review upon receipt of the item. But that wouldn't completely rule out the possibility that the buyer would subsequently want to return the goods, given that not all faults are immediately obvious with electronic items.

So given what it says in the Payments Terms of Use, eBay was able to withhold the funds as it did. I think that eBay has provided a reasonable explanation as to why it placed the hold on Mr H's funds. And overall, I think that its decision to do so was not unreasonable in the circumstances.

Mr H says that eBay had failed to make it clear that his funds could be withheld during the selling process. But eBay has provided a screen shot of a page that appears during its listing process which says: *"Funds from your sales may be unavailable and show as pending for a period of time. [Learn More](#)".* So, I am satisfied that the potential for Mr H's funds to not be immediately available was explained during the listing process, and that access to further information on the matter was made available to Mr H. And although it doesn't expressly say funds may be withheld for 30 days, given that the amount of time a payment could be withheld can vary depending on the circumstances and is decided on a risk-based approach, I don't think eBay has acted unfairly by not stipulating exactly how long a payment could be withheld for.

Mr H says that he needed to pay for a repair on his car on 7 December 2024. He has explained that he relies on his car for work, and says that paying for the repair was the reason why he sold the item in the first place. Mr H says that eBay's decision to withhold his money caused him financial difficulties.

In the circumstances, I can fully appreciate Mr H's frustration with eBay's decision to withhold his money. And I have sympathy for the circumstances that he found himself in, especially for the financial difficulties it caused him and the impact it had on him - which he explained in his responses to the investigator's assessment. But eBay's decision to withhold his funds was done so in line with what the Payment Terms of Use say. And eBay has, in my view, provided a reasonable explanation as to why it withheld the proceeds of the item that Mr H sold. So, given the circumstances, I don't think it would be appropriate to say that eBay should compensate Mr H for this matter.

My final decision

Because of the reasons given above, 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 24 March 2025.

Thomas White
Ombudsman