

## **The complaint**

Mr C complains eBay Commerce UK Ltd (Commerce) put a hold on money he received for selling some things on the marketplace.

## **What happened**

Mr C sold some items on the marketplace and Commerce placed a hold on Mr C accessing the money he received. It seems this hold was resolved when Mr C sent Commerce information about the sales.

But Mr C then saw Commerce had applied a further hold, for 190 days. Mr C complained and Commerce said it explained the payout process and policy, so it closed the complaint.

Unhappy with this response, Mr C brought his complaint to this service. An investigator looked into things but didn't think Mr C's complaint should be upheld.

The investigator said Mr C resolved the first hold but, prior to a second part of the review, Mr C was offensive to marketplace staff. Commerce put a hold on Mr C's payouts because he'd breached the terms, and this was fair.

The investigator said Commerce would pay out once the hold expired but hadn't done anything wrong by holding Mr C's money, so Commerce didn't need to do more.

Mr C disagreed and said he had proof of postage, only ever had positive feedback for his sales and felt Commerce discriminated against him due to his disability. Mr C asked for an ombudsman to decide things, as well as call him.

## **My provisional decision**

I didn't think Commerce had done enough to resolve things, so I issued a provisional decision, and in it I said:

Mr C's asked for a call, but I don't think it's appropriate in the specific circumstances of his complaint. I'm an impartial decision maker, and I wouldn't necessarily call Commerce about Mr C's complaint, so I think I need to treat both parties equally.

And, by issuing a provisional decision, I'm giving Mr C time to respond further to my findings before I issue a final decision.

Things have moved on slightly from the investigator's assessment. Commerce has released the money to Mr C and credited him with £50 as an apology, but Mr C didn't feel this resolved things.

I think it'll be helpful to lay out the division between the marketplace and Commerce. The marketplace isn't regulated, and I can't consider a complaint against it or whether it provided

Mr C poor service.

Commerce is regulated, and Mr C agreed to its terms when he started using Commerce to move money from his marketplace balance to his bank account.

Within the terms Mr C agreed, Commerce has a section on holds, and it says:

*You agree that we may place holds on your funds or instruct a payment service provider to hold your funds, prior to disbursement (.....) If a hold is placed on your funds, the amount and status of the hold will be displayed under the Payments tab in the Seller Hub/My eBay. We will notify you through the eBay Message Center and/or by email and, depending on the reason, may request additional information from you to help resolve the issue.*

*(.....)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. Please see our holds help page for more detail on the hold types and examples.*

*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.*

*We also may cancel or freeze the settlement of your proceeds as necessary to comply with our legal obligations in connection with fraud prevention, risk management, or regulatory compliance, or, upon lawful request by our Affiliates, to enable them to comply with legal obligations applicable to them (such as compliance with tax-related obligations from EU DAC7 legislation). Any hold placed on your funds will be released when the risk associated with our provision of Payment Services is reduced or eliminated.*

I think it's clear Commerce is allowed to apply a hold to Mr C's payouts, but in specific circumstances, associated with the provision of its payment services.

For the first hold Commerce says Mr C was selling higher value items than he normally does, so it wanted to make sure he'd sent the purchases to the buyers.

It seems Mr C sent in the proof of postage.

Commerce says it was then looking at asking for proof of ownership, but Mr C was then offensive to staff members, so it applied a 190-day hold. Commerce has said Mr C posed a risk to its staff because of the way he spoke to them.

In the circumstances, I don't think this is fair.

Commerce's terms specify holds will be placed because of risks Mr C might be posing, but I think these are financial and regulatory risks. For example, Mr C might not post out the items, and the buyer will receive a refund, and Commerce may lose out.

I don't think Commerce can use the section on holds to say it applies to any risk, I think the terms are specific to financial risks, in line with its provision of payment services.

Commerce also said Mr C breached marketplace's terms, it specifies abusive behaviour won't be tolerated.

But I can't consider whether Mr C breached the marketplace terms, I can only look at the regulated Commerce terms. It seems Commerce doesn't have an equivalent term, but I don't think this means Mr C can be offensive to Commerce because it has no term covering this.

And I've seen the transcripts of Mr C's calls, I think he was offensive to staff. I'm not condoning this behaviour, I think it's unacceptable.

And Commerce can choose to not do business with Mr C going forward, it seems it's done this and permanently banned Mr C from using its services, and I think this is fair.

But I don't think Commerce was fair in placing a hold on Mr C's payouts.

Commerce has said it placed the hold because it no longer wanted to deal with Mr C or expose its staff to Mr C's behaviour. But I think the easiest way to resolve this was for Commerce to release the money to Mr C.

It seems neither party wanted anything further to do with each other, and Commerce was worried Mr C would continue to call in. I don't think it really makes sense for Commerce to hold Mr C's money to protect against further contact.

Mr C's said Commerce discriminated against him, because he has a disability. I can understand why Mr C feels this way, but I think Commerce initially acted fairly by placing a hold on Mr C's sales, because they were high value items.

Mr C was able to resolve this, and I think the further hold wasn't fair. But I don't think the unfair hold was applied because Mr C has a disability, I think it was added because of Mr C's behaviour in calls to the marketplace.

I'm satisfied Commerce took the decision to place a hold on Mr C's payouts because of his behaviour, not because Mr C has a disability.

But I don't think Commerce should have applied the second hold, because of Mr C's behaviour, I think it should have either allowed Mr C to pay his money out or ask for proof of ownership of the items Mr C sold, the reason it was thinking about for a second hold.

Had Commerce taken either of these options, Mr C would have had access to the money sooner.

Mr C has explained the items he sold were family heirlooms and he was selling them so he could pay priority bills.

This would already have been a stressful time for Mr C, so the further hold would have added to Mr C's distress. Commerce has already paid Mr C £50, but I don't think this is enough to compensate Mr C.

In the specific circumstances of Mr C's complaint, I think Commerce should pay Mr C a further £100 to compensate him for the distress of the unfair hold it applied.

## **Responses to my provisional decision**

Commerce responded to say there'd been some confusion, and although Mr C had been able to cash out the money he was waiting for, this didn't include the £50 offer it had made.

Commerce said it had also increased its offer to £100, but this hadn't been accepted.

Mr C responded to say an account at another bank had been closed because of what Commerce had done. Mr C said he wasn't satisfied with the offer in my provisional 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.

My provisional decision assumed Mr C had been able to access the £50, and said a further £100 was fair, so £150 in total. Since it seems Mr C hasn't been paid the £50, I think Commerce should pay Mr C £150 to resolve things.

Mr C says another account closed because of what Commerce did. But this closure appears to be related to the items he sold, which is the marketplace, and not anything to do with Commerce holding on to Mr C's money.

Since I don't think Mr C's other bank account closing was to do with anything Commerce did, I don't think Commerce needs to pay more to Mr C than I'd provisionally decided.

I realise Mr C is very unhappy with eBay in its entirety, but I can only look at acts or omissions from Commerce, and having done this I think Commerce should have released Mr C's money more quickly than it did.

And, because of this, I think Commerce needs to compensate Mr C, for the reasons I explained in my provisional decision, and I think £150 is fair in the circumstances.

### **My final decision**

My final decision is I uphold this complaint and eBay Commerce UK Ltd should pay Mr C £150 to compensate for not paying out more quickly.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 4 June 2025.

Chris Russ  
**Ombudsman**