

The complaint

Mr F complains eBay Commerce UK Ltd (Commerce) is holding his money.

What happened

Mr F was told by eBay Marketplace (marketplace) it was closing his selling account. Commerce then told Mr F it would hold onto the money in his marketplace balance, over £550, for 190 days.

Mr F complained to Commerce, and it said it had reviewed his marketplace account and thought he was abusing marketplace processes. Commerce said Mr F's money was on hold for 190 days to protect against claims.

Mr F brought his complaint to this service, and said he'd delivered all his orders, all outstanding disputes were settled and there was no ongoing risk.

An investigator looked into things but didn't think Mr F's complaint should be upheld. The investigator said they couldn't look at the marketplace's actions in closing Mr F's selling account, but thought Commerce had made a fair decision to hold his money.

The investigator said Commerce had provided information in confidence and they couldn't share it, but had looked at things impartially and thought Commerce had made the right decision to hold Mr F's money for 190 days.

Mr F disagreed, and said there was no risk to the money Commerce was holding. Mr F said it was unfair for this service to rely on confidential information as Mr F couldn't address these concerns or decide if this was fair.

Mr F said there was no reasoning behind the 190 day hold and the Payment Services Regulations (PSRs) required Commerce to provide fair treatment and assess risks in a proportionate manner.

Mr F wanted to know if the hold is fair in his specific circumstances and asked for an ombudsman to decide his complaint.

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.

Mr F accepts this service can't look at marketplace decisions, like the one to close his selling account. But this decision is what Commerce used to place a hold on the money in Mr F's marketplace account, so I need to consider this decision.

Commerce has told this service the reasons behind the closure of Mr F's selling account, and why this posed a risk to the marketplace and Commerce. But Commerce has also asked

this service to keep the reasons confidential.

This service was set up under a set of rules, DISP, and in DISP 3.5.9R it says:

The Ombudsman may: (2) accept information in confidence (so that only an edited version, summary or description is disclosed to the other party) where he considers it appropriate.

DISP 3.5.10G says:

Evidence which the Ombudsman may accept in confidence includes confidential evidence about third parties and security information.

and DISP 3.8.1R says:

In dealing with information received in relation to the consideration of a complaint, the Financial Ombudsman Service will have regard to the parties' rights of privacy.

I think the information Commerce has disclosed is evidence concerning its security information. By disclosing any information, I think it could potentially put Commerce's compliance and fraud checking processes at risk of becoming common knowledge.

But I also have to weigh up Commerce's right to privacy with Mr F's request for natural justice, to see the information Commerce holds so he can fairly defend himself.

Having considered both sides, I still think it's fair for Commerce's information to be kept confidential. I know this will come as a disappointment for Mr F, but both the investigator and I have impartially considered this information.

And having considered what Commerce has said, I think it's made a fair decision to hold Mr F's money for 190 days. I think Mr F poses a risk to marketplace and Commerce and I think holding the money lessens the risk.

Mr F's said he's delivered all his orders and closed all open disputes, so he doesn't feel there's a risk, and says the risk hasn't been explained to him.

Purchases on the marketplace can be disputed by the money back guarantee, but this tends to be limited to 30 days. But chargebacks can be raised up to 120 days after the payment.

And payments made by certain online payment methods have 180 days to raise claims.

I don't think the lack of current disputes means no disputes could be raised during the 190 day hold Commerce has applied.

I think the 190 days is fair, once this period is over Mr F knows the money he gets back is clear of any potential claims and the money is his. If Commerce was to release money now, then receive claims, this could mean Mr F owes Commerce money.

I think the 190 days is a protective measure for both Mr F and Commerce.

Mr F says the PSRs say he must be treated fairly, and this is what I have to do, make a decision on whether Mr F's been treated fairly.

And Mr F says the PSRs say any risks must be assessed in a proportionate manner, and I think Commerce has assessed Mr F's risk proportionately and fairly.

I think Commerce has made a fair decision to hold Mr F's money, even though I accept this hold has affected Mr F's cashflow and his ability to pay bills.

But I think this knock on inconvenience is due to a fair and reasonable decision by Commerce to hold Mr F's money, so I can't fairly ask it to compensate Mr F for the effect the hold has had on him.

Because of this, I won't be asking Commerce to do anything more to resolve Mr F's complaint.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 13 January 2026.

Chris Russ
Ombudsman