

complaint

Mr E complains that PayPal Sarl & Cie, SCA refuses to write off a debt and restore his PayPal accounts. He also complains about the way PayPal has handled his complaint and of harassment over the debt.

background

Mr E was a victim of fraud. He sold items on ebay on behalf of someone else, and the buyer paid for but did not receive the goods. Mr E transferred the money that the buyer sent him out of his PayPal account to his bank account and then to the person who he believed would send the goods. So when PayPal deducted the money from Mr E's account, to refund the buyer, Mr E was left owing a debt.

The adjudicator did not recommend that the complaint should be upheld. He did not think that PayPal had made a mistake or treated Mr E unfairly, as it was Mr E's decision to sell goods on behalf of someone else, and PayPal acted reasonably in recovering the money to refund the buyer.

Mr E disagreed with the adjudicator's view and asked for his complaint to be reviewed by an ombudsman. He said that PayPal should operate a business model in which he was protected from fraud, PayPal could have advised him not to proceed with the transactions, and in dealing with the matter PayPal has not taken into account his mental illness.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I appreciate that Mr E will be disappointed to hear that I agree with the adjudicator. I do not consider that it would be reasonable to hold PayPal responsible for the debt resulting from the fraud Mr E suffered.

I have read all of Mr E's submissions carefully, and I have considered all of his points including that PayPal should operate in a way that means Mr E was protected from fraud, and that he did not consider the consequences of being a victim of fraud because he understood there would be some safeguards in place. In the circumstances of this complaint, where Mr E did not have in his possession the goods he sold, I do not consider that it would be reasonable to expect PayPal to be able to protect Mr E from incurring the resulting debt from the fraud.

I have also considered carefully Mr E's points about emailing PayPal when he became suspicious about the transactions. Mr E says at this point PayPal could have offered him some advice and told him not to proceed. I do not consider that it would be reasonable for me to conclude that because Mr E sent an email to PayPal about his suspicions, PayPal should then become responsible for the debt. PayPal provide a payments service, and in the circumstances of this complaint, it would not be reasonable for me to conclude that it should have offered advice about whether or not Mr E should proceed with a transaction.

Mr E's problems result from fraud, and not from the result of a mistake or error by PayPal. Since I do not consider that PayPal is responsible for Mr E incurring the debt, I do not find that it was unreasonable that PayPal should seek to recover the debt from Mr E.

I have considered Mr E's lengthy submissions about his communications, including those on social media, with PayPal. On balance, I do not consider that PayPal handled Mr E's complaint, or sought to recover the debt, in an unreasonable way.

I am sorry to hear about Mr E's illness. He may wish to consider seeking advice and assistance from an appropriate cost free debt counselling service about agreeing a way forward with PayPal about the repayment of the debt.

my final decision

For the reasons explained above, my final decision is that I do not uphold this complaint.

Heather Clayton
ombudsman