

complaint

Mr D complains that PayPal Sarl & Cie, SCA ("PayPal") closed his account. He was also unhappy that it reversed a payment in his account as it was subject to a chargeback.

background

PayPal closed Mr D's account with it as it said that he had violated its Acceptable Use Policy as he had used his account for gambling, which was a prohibited activity. Mr D accepted that he had used the account for gambling, but considered that PayPal had acted unfairly in closing his account as he was aware of many other PayPal customers who had not been prevented from using their PayPal accounts for gambling. Mr D wants his account reopened.

Mr D also complained that there was a negative balance on his account as a chargeback had been raised against him by one of his customers.

The adjudicator did not recommend that the complaint should be upheld. He was unable to conclude that PayPal had acted incorrectly in closing Mr D's account or that it had done anything wrong in respect of the chargeback.

Mr D disagreed.

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 note that in 2009 PayPal had suspended Mr D's account due to his gambling activities, and it agreed to re-open his account upon the basis of his assurance that he would no longer engage in gambling activities. As Mr D continued to use the account for gambling activities, PayPal told him in mid- October 2013 that his account would be closed as he was in breach of its Acceptable Use Policy. Mr D considered this decision to be unfair as other PayPal customers were able to continue to use their accounts for gambling.

I also note that in November 2013, Mr D's account was taken into a negative balance as one of Mr D's customers made a chargeback against him. I note that PayPal was unable to reimburse Mr D as the chargeback was in respect of a service, and not physical goods, and so it was ineligible for PayPal's seller protection.

I note that Mr D would have agreed to accept PayPal's User Agreement when he became a customer. As PayPal has acted in line with its User Agreement and policy statements, I am not persuaded that it has acted unfairly or unreasonably in closing Mr D's account and pursuing him for the money owed to it.

my final decision

My decision is that I do not uphold this complaint.

Roslyn Rawson
ombudsman