

## **complaint**

Mr I complains that Skrill Limited won't refund £3,200 to his account. He received this amount into the account, transferred from someone he knew, but all the funds were then transferred to a gambling company on the same day. Mr I says he never made those transfers out and Skrill should credit his account with their full value.

## **background**

Mr I's account was credited with £3200 on 10 July 2018 and by the end of that day, eight transfers out had cleared the account. There were four payments of £450 and four payments of £350. All eight payments were online transfers made to a gambling company.

Mr I opened his Skrill account on 7 July 2018 and he called Skrill to check his balance soon after. He says he then discovered there'd been the unauthorised transactions. The funds he received, he said were from a friend and were intended to be used forex trading.

Mr I said that someone else made the transfers out while he was on holiday. He said he doesn't have an account with the gambling company and when he contacted that company, it said the account details weren't in his name and it had been frozen

Mr I admitted to having his Skrill account access details recorded on his laptop, which he said wasn't with him on holiday, but he also said he was the only person who had access to the laptop. Mr I said his laptop was password protected in any event and he hadn't given his Skrill account details to anyone else.

So, for a third party to have been able to access Mr I's Skrill account, and make the disputed transactions, they'd have needed knowledge of his email address, account password and additional authentication. But Mr I could offer no possible explanation for how someone could have accessed these details or his password protected laptop and therefore his account at all. These were also the first transactions completed on the account so there wasn't any apparent point of compromise for the security details.

The investigator also noted that Mr I hadn't been entirely consistent in what he'd said when addressing what had happened. Mr I had initially said he knew of the disputed transactions when he contacted Skrill and it advised him of the activity on the account. But in a later email Mr I said he was unable to login to his account so he called Skrill and they confirmed all of his funds were deposited to the gambling company.

However, there is also a call recording of Mr I phoning Skrill where he asks for the account balance. But to get through security, he's asked what the last transaction on the account is and he correctly answers that it was to the gambling company and he knows the value. He then asks the advisor to check whether he received £3200 and then he asks which email address it was received from.

He then goes on to say that while he was on holiday someone spent his funds on transactions made to [the gambling company] and that's the reason he's calling. He then asks how he can retrieve the money from the gambling company. Mr I said he discovered the disputed transactions on 16 July 2018 and he was unable to login to his Skrill account.

The investigator considered it evident that Mr I was already aware of the disputed transactions before he called which is inconsistent with other testimony from him. There was

a question raised for the investigator of how Mr I became aware of the transactions to complete Skrill's security questions if he then went on to say his account was hacked to carry out the transactions and he only discovered them in his call to Skrill.

Given the pattern of the transactions, whoever made the disputed payments would also have seemingly known exactly how much was going into the account and when. Mr I has said no one else was aware of the payment going into the account. So the investigator thought the likelihood of a third party being aware of the deposit being made – also, the exact amount of the deposit was spent – along with the need for the third party to have gained access to Mr I's Skrill account credentials without him realising, was low.

That is all against a background, confirmed by Skrill, where there were no failed login attempts before the disputed transactions and that the device used to complete the disputed transactions was one which was never used before – and in order to register a new device, Skrill required their customer to enter a PIN for that also.

Given everything, the investigator was persuaded Mr I authorised the transactions and he didn't recommend that Skrill needed to refund the value of the disputed transactions to Mr I's account.

Mr I has asked for his complaint to be reviewed but he's given no rationale as to why he disagrees with the view of the investigator.

### **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

First, in summary, I agree with the findings and conclusions of the investigator and I have very little to add to what she said previously although I have, of course, looked carefully through all the evidence that both Mr I and Skrill have provided.

The investigator has set out in a fair bit of detail, and I've repeated that detail in background, the reasons why she believed it was more likely than not that Mr I made the disputed transactions himself rather than he was a victim of fraud and the transactions were made by a seemingly unknown third party. And in that situation, Mr I could clearly not expect Skrill to refund to him the value of the disputed transactions made to the gambling company.

Put simply, in light of any kind of explanation as to how the security credentials of the Skrill account were compromised by an unknown third party, or Mr I being able to explain at all how someone close to him may have accessed his laptop and then his account, I can't fairly and reasonably conclude that the transactions were made by anyone other than Mr I either.

I say that also taking account of the evidence in this matter relating to how the disputed transactions were identified and referred to in various calls and emails; and also given the nature and pattern of both the credit and disputed debits and what's been said there.

In conclusion, I'm afraid that I don't consider there's any basis for me to say it would be fair and reasonable to require Skrill to reimburse Mr I with the monies he says he's lost.

**my final decision**

My final decision that I don't uphold this complaint and Skrill isn't required to take any action to resolve its dispute with Mr I.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 2 April 2020.

Ray Neighbour  
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