



Floris Alwin Bos
Fazantstraat 107 – A
7523 DN Enschede
Netherlands

January 11, 2007

Your ref: **6753100/HF/CCJC**

Dear Mr. F. A. Bos

Re: Recent enquiry to FOS about PayPal (Europe) Ltd (“PPEL”)

We refer to your recent enquiry with the Financial Ombudsman Service dated 22 December 2006. I have reviewed your PayPal account; please allow me to offer further explanation concerning the issue.

1 Your complaint:

You have contacted us regarding the closure of your account.

2 Details of the case:

A review of your account, registered under the email address sales@je-eigen-domein.nl, shows that it was placed under limited access on 5 December 2006. Our reference number for this case is PP-226-758-379.

3 Results of PayPal's investigation:

Access to your PayPal account was permanently limited when it was determined that you were in violation of our Acceptable Use Policy by accepting payments or offering PayPal as a payment method on the following URL <http://www.instantnews.nl> for obscene or sexually oriented goods or services, which is in violation of PayPal's Acceptable Use Policy. At this time, PayPal advised you that this type of use of our service violated our User Agreement. We also notified you that your account has been closed due to the violation of PayPal's Acceptable Use Policy. The notification email was sent to the primary email address registered on your PayPal account, as above. Please note that

Registered Address:
PayPal (Europe) Ltd.
PO Box 659
Richmond
Surrey
TW9 1TX
United Kingdom
Tel: +44 (0)8707 307 191
<https://www.paypal.co.uk>



under the terms and conditions of our User Agreement PayPal may close your account, should we find your account to be in breach of our User Agreement.

4 PayPal policies specific to this complaint:

In order use the PayPal service, each user must accept and agree to the terms of the online User Agreement (including the policy statements incorporated therein). Subsequent to registration, the PayPal User Agreement is accessible via the User Agreement link located on every page of the PayPal website. The terms of the PayPal User Agreement apply and legally bind each user every time they use the PayPal service. When you opened your PayPal account on 15 January 2004, you were required to tick a box accepting the PayPal User Agreement. Portions of the PayPal User agreement specific to your complaint include the following:

User Agreement:

Clause 1 includes-

Eligibility. We may refuse to provide our Service, change the qualifications for your use of the Service and/or terminate this Agreement with you at any time on giving you notice by email, such notice to take immediate effect.

Clause 7.3 includes – Closing Accounts and Limitation of Account Access

At our sole discretion we may close an account at any time where expedient to do so, (including but not limited to where there has been a breach by you of this Agreement) upon notice to you and make payment to you of any unrestricted funds held in your account. We also reserve the right to limit access to an account and any or all of the account's functions, including but not limited to your ability to send e-money or your ability to withdraw from the account. Such restrictions shall only apply to such portion of your balance as directly relates to your breach or attempted breach of your obligations.

Mature Audiences Policy

You may not use PayPal in the purchase or sale of, or receipt of donations for, any obscene or sexually oriented goods or services.

Registered Address:
PayPal (Europe) Ltd.
PO Box 659
Richmond
Surrey
TW9 1TX
United Kingdom
Tel: +44 (0)8707 307 191
<https://www.paypal.co.uk>



In determining what goods or services are prohibited under the Mature Audiences Policy, PayPal will consider some or all of the following factors:

- Whether the work depicts or describes, in a patently offensive way, sexual conduct.
- Representations or descriptions of intercourse, masturbation, excretory functions, or lewd exhibition of the genitals.
- Dominant theme of the material or website.
- Literary, artistic, political, or scientific value.
- Safety and protection of its customers, both buyers and sellers.
- Medical or educational usage of the product or service.

Any sexually oriented goods or services involving minors, or made to appear to involve minors, will automatically be treated as violations of the Mature Audiences Policy.

PayPal will not include sexual preferences or viewpoints as a factor in determining what goods or services are prohibited under the Mature Audiences Policy.

Conclusion

PayPal has acted according the User Agreement and our policies. The terms of the PayPal User Agreement apply and legally bind each user every time they use the PayPal Service.

Please be advised that this is our final response on this matter. However, please feel free to contact me directly at ppelce@paypal.com should you have any further questions or concerns.

Yours sincerely,

Bart Gijde
Executive Escalations
PayPal, an eBay Company

Registered Address:
PayPal (Europe) Ltd.
PO Box 659
Richmond
Surrey
TW9 1TX
United Kingdom
Tel: +44 (0)8707 307 191
<https://www.paypal.co.uk>