

The complaint

Mrs B complains about the execution of orders on a trading account she held with Revolut Ltd ("Revolut").

What happened

Mrs B held a trading account with Revolut. On 24 April 2020 Mrs B placed market orders to buy DNR and OAS shares. The orders were placed at 15.38 and 15.54 respectively and were executed at 17.24 and 17.11 respectively. As the requests were still pending after two hours, Mrs B attempted to cancel the orders but the cancellation wasn't processed. The value of the shares had changed during this time and Mrs B says she sustained a loss.

On 8 June 2020 Mrs B bought 126 LTM shares. On 9 June, LTM was delisted and Mrs B's orders to sell on 10 June were rejected. Mrs B says she repeatedly attempted to contact Revolut via the chat function, but only received a response after five hours. Mrs B says she lost out because she was unable to sell the shares.

Revolut maintain that an indicative price was shown before Mrs B selected to buy the shares in April. The price was then subject to market volatility, which delayed market execution and was a matter outside Revolut's control. As to cancellation, Revolut pointed to the terms and conditions for the account, which explained that cancellation requests could not be guaranteed for pending orders.

As to the LTM shares, Revolut highlighted that they provided an execution service only. It was for Mrs B to decide which orders to place. However, Revolut did post factual information about the business filing for bankruptcy on the trading section of the Revolut app and this information was also publicly available. Revolut say they did nothing wrong in executing the order Mrs B placed as at that time the shares were still available in the market. Revolut apologised to Mrs B at the time for the delay in responding to her queries, which was due to the large volume of chat traffic. Whilst Mrs B was unable to sell her shares on 10 June, Revolut did notify all shareholders of the opportunity to sell the shares on 17 June 2020.

Our investigator considered the complaint and decided not to uphold it. She thought Mrs B's instructions to buy shares were completed when the system was able to process them and the risk of delay in execution due to market volatility had been highlighted in Revolut's terms and conditions. Further, Revolut had explained that they weren't always able to cancel a 'pending order'. As to the de-listing of LTM shares, Revolut had shared information about the business and as an execution only service provider, they acted on the instructions given by Mrs B to buy the shares. Whilst Mrs B was unable to sell the shares on 10 June, she was provided with an opportunity to do so on 17 June. Our investigator accepted there had been a delay responding to Mrs B's queries using the webchat but this was due to the high volume of chat enquiries and again Revolut had specified in their terms the risks when using the app. Overall, our investigator didn't think that Revolut had done anything wrong.

Mrs B disagrees with the view, she maintains that the delay in executing the market order was unacceptable. As to the LTM shares, Mrs B maintained that Revolut did not provide a warning about the de-listing and it was unacceptable to cancel the execution of the sale

order on 10 June.

As the parties do not agree, the matter has come to me for a final decision.

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.

I think it's helpful to explain at the outset that our service has no disciplinary or regulatory role. So, we have no power to tell a business how to operate, which falls to the regulator. We provide an informal dispute resolution service, where decisions are made based upon the balance of probabilities, in other words, what is more likely than not to have happened and we look to put things right on a fair and reasonable basis.

Revolut offered an execution only service, which meant no advice was given to investors about which trades to place. Revolut processed instructions given by investors using a third-party broker, subject to the terms and conditions for the account.

I've seen that Mrs B placed two orders to buy DNR and OAS shares. Revolut acknowledge the longer timeline for processing these orders but says execution was delayed because of market volatility, which was a matter outside their control. Revolut have highlighted the terms of the account, which said that they would do their best to execute orders as quickly as they could. They point out that information had been provided to Mrs B when she opened the account that the third-party broker may take action, which included delay in the execution of an order, for reasons such as market conditions and capacity limitations. Further, information had been provided that it may not be possible to cancel a market or limit order once it had been placed.

And whilst Mrs B requested cancellation of the orders, under Revolut's terms and conditions, once a trade was pending, cancellation wasn't guaranteed. So, whilst I understand Mrs B's frustration with the timeline, I can't fairly say that Revolut did anything wrong. And it isn't disputed that the final price was correct for the time of sale.

As to the LTM shares, I've seen that Revolut did provide information in the Trading section of the app about the status of the particular business and public information was also available about the de-listing. It was for Mrs B to decide which shares she wished to purchase and as I've explained, Revolut wasn't required to provide advice about whether to make a particular purchase. It's unfortunate that Mrs B was unaware of the situation with LTM, but I don't think Revolut did anything wrong in processing her request to purchase the shares given the nature of the service provided. The subsequent de-listing was a matter outside Revolut's control.

The terms of the account explained the instruments not supported by the app may result in action being taken to close such positions. In this instance, whilst Mrs B wasn't able to sell the shares on 10 June, I've considered that she was provided the opportunity to sell directly from the Revolut app on 17 June 2020.

There was a delay by Revolut in responding to Mrs B's chat query and it's clear that Mrs B was distressed at the time. I think it's more likely than not that the delay was due to a high volume of queries. I appreciate that on 10 June Mrs B was frustrated by the situation and lack of prompt response, but by this time the shares were already de-listed. When Revolut replied they apologised to Mrs B and explained about the de-listing. I don't think Revolut needed to do anything more.

I don't underestimate Mrs B's strength of feeling about these matters, but for the reasons given, I can't fairly say that Revolut have done anything wrong.

My final decision

I'm sorry to disappoint Mrs B, but I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 26 April 2022.

Sarah Tozzi
Ombudsman