

The complaint

Mr B complains that Halifax Share Dealing Limited trading as IWeb (UK) Limited has caused him to lose money by carrying out a transaction twice.

What happened

Mr B has a share dealing account with IWeb. On 4 August 2021 Mr B placed a trade at 10:52am to purchase 700 shares in Company S. Mr B said he was presented with an error message telling him the service was unavailable. Mr B said he saw his cash balance hadn't reduced so proceeded to place the trade again at 10:53am. He then discovered both trades had gone through.

Mr B phoned IWeb and asked it to rectify the issue. He said he was told to hold on to the shares until the price increased and then to sell, but Mr B says he felt this was too risky and asked IWeb to sell the surplus shares. It offered to do so, commission free, and when this was done Mr B had lost £82.34 due to a difference in share price. Mr B wanted this back. IWeb said it hadn't made an error. It said its terms say that when a customer isn't certain a trade has gone through, they must phone to confirm the position before proceeding with placing the trade again. As Mr B didn't phone IWeb before making the trade again, it doesn't feel it's liable for his losses.

Our Investigator felt that IWeb should compensate Mr B for his losses. She explained that whilst the terms are clear, it wasn't unreasonable for Mr B to have placed a trade when he'd checked his cash balance hadn't decreased. She felt it was reasonable for him to have relied on the error message and believe the trade hadn't been made. Our Investigator felt IWeb should also pay Mr B £50 for the trouble and upset it caused him.

IWeb disagreed. It said that its terms are clear in what Mr B should've done when there is uncertainty around a trade. As such, he breached the customer agreement. It said that its audit log suggests Mr B didn't check his pending orders and seems to have not navigated away from the screen to make a trade. So it didn't think Mr B had done enough to check whether his initial trade had gone through. It says its terms limit its liability for these issues to asked for an Ombudsman to reach a 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.

Having done so, I'm upholding this complaint for similar reasons to our investigator. I'll explain why.

The customer agreement terms, that IWeb are relying on, say:

"If, at any point, the flow of information between us on the online service is interrupted (for example, your computer or mobile device crashes, you lose network connection or you

receive an error message), and you are not certain whether your instructions have been accepted or not, do not try to enter your instructions again.”

It goes on to say that customers should try to log on to the online service again and check their account details. If they remain uncertain they should phone to confirm the position. IWeb says this limits its liability for situations such as Mr B's. However, I'm not sure it's fair to apply these terms here. Mr B was making a time sensitive trade. His device hadn't crashed and the error message said the service wasn't available. Whilst I can see the terms provide for error messages, I don't think the message Mr B saw was ambiguous. Neither IWeb or Mr B has provided a copy of the error message but it's accepted it said the service wasn't available. As such, I don't think it's unreasonable for Mr B to have assumed his trade hadn't been placed.

Mr B has told us that he checked his cash balance hadn't reduced before placing the next trade. IWeb produced an audit log which it says shows Mr B didn't leave the dealing page. It acknowledged the audit log was difficult to read and it wasn't possible to see what Mr B saw at the time. But from the screenshot it has provided of the dealing page, it has the amount "available to invest" on that page. So, I think it's likely Mr B could see that this hadn't changed after the error had occurred. Our investigator queried the log entries which had the word "error" in them to get some clarification about what caused the problem. But IWeb responded by reasserting its position that as Mr B breached the agreement by not phoning before placing the trade again, it wasn't liable for his loss. It didn't explain the log entries except to say that Mr B hadn't navigated away from the dealing page.

The terms are clear about what a customer should do when they aren't certain whether the instructions have been accepted or not. But Mr B saw a message to say the service was unavailable and saw his balance on the dealing page hadn't reduced. I don't think that it's unreasonable for him to believe his transaction hadn't gone through and have attempted the transaction again without phoning given he's told us his balance hadn't reduced.

As such, I think it's reasonable for IWeb to cover Mr B's losses in this event for the error suggesting the transaction hadn't gone through due to the unavailable service. I also think that the shock of the transaction having gone through despite the error message suggesting it was unavailable would've caused Mr B some distress, as well as inconvenience in having to rectify the situation.

Putting things right

Halifax Share Dealing Limited trading as IWeb (UK) Limited must do the following:

- Pay Mr B the money he lost at having to sell the shares he bought due to the error – he's specified this as £82.34.
- Pay interest on this amount at 8% simple per annum from 4 August 2021 to the date of settlement
- Pay Mr B £50 compensation for the trouble and upset caused.

If Halifax Share Dealing Limited trading as IWeb (UK) Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr B how much it's taken off. It should also give Mr B a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

I uphold this complaint. Halifax Share Dealing Limited trading as IWeb (UK) Limited must follow the instructions set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 22 June 2022.

Charlotte Wilson
Ombudsman