

The complaint

Mr F complains about a fee he was charged when making a withdrawal from an account he holds with eToro (UK) Ltd.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving the reasons for my 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 agree with the conclusions reached by our Investigator for the following reasons.

Mr F made a withdrawal from his account with eToro and was charged a fee of £115 as the funds were converted from USD to GBP.

eToro says the fees are explained in the Terms & Conditions and on their website. And I agree they are.

However fees and charges should also be made clear and transparent. And in this situation I don't think that's the case.

When making the transaction Mr F has provided evidence showing the fee wasn't clearly displayed. The fee was deducted from the amount when the transfer was made rather than showing clearly at the time the withdrawal was requested.

The funds were held in USD and Mr F has shown that he has an account which accepts USD deposits for a fee of £5. I'm satisfied that if the fee had been made clearer at the time of the withdrawal that Mr F would've avoided the £115 fee and made the withdrawal in USD.

eToro has provided information showing that at the withdrawal screen there is a link to their website showing the Terms & Conditions. And I agree there is. But I don't think Mr F should have to leave the withdrawal process to view the Terms & Conditions on the website in order to work out any possible fees. Any fees or charges should be made clear at the time of the withdrawal.

eToro are of course able to charge fees for their services. But in this particular set of circumstances I'm satisfied had the fees and charges been made clearer that Mr F would've chosen to withdraw in USD and avoid paying the fee.

Putting things right

eToro (UK) Ltd should refund the fee deducting £5 to allow for the fee that would've been charged by Mr F's bank.

They should also pay 8% simple interest on that amount from the day it was charged up until the day of settlement.

My final decision

For the reasons I've explained, my decision is that I uphold this complaint.

eToro (UK) Ltd should take the actions outlined above in paying Mr F.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 21 September 2023.

Warren Wilson

Ombudsman