

The complaint

Mr A complains he experienced technical issues using Capital Com (UK) Limited's trading app. He's also unhappy that it closed his account.

What happened

Mr A contacted Capital Com as he was experiencing problems using its app. He said it seemed to be displaying incorrect values for his profit and loss, so in turn what funds he had available to withdraw or transfer. This was making it difficult to manage his account, leading him to incur losses.

Capital Com accepted there'd been a technical issue causing a short, 4 or 5 second delay in the values seen on screen in the app, which had been resolved. It didn't feel it had caused Mr A to suffer any losses, but it recognised the inconvenience the matter had caused and offered him £250. Mr A didn't accept the offer, as he felt it was insufficient.

Shortly after, Capital Com contacted Mr A to say his account was being closed. It explained the decision was based on information he'd provided in an 'economic profile', which had indicated the risk of CFD trading was inconsistent with his circumstances.

Mr A didn't feel this was fair and referred the matter, along with the issue of the technical problem, to this service.

Our investigator also didn't consider the complaint should be upheld. He first looked at the appropriateness of Capital Com providing Mr A with a CFD trading facility at the outset, when he'd opened his account in 2022. The investigator concluded that Mr A had indicated a reasonable understanding of this type of trading. So, he was satisfied the initial provision of the facility to Mr A had been appropriate.

In respect of the technical issue, the investigator felt Capital Com's explanation and its offer had been reasonable, and he wasn't persuaded that the issue had led to any financial loss. He noted that the terms of the account provided for instances of technical error and felt the £250 offered to Mr A for the inconvenience caused was fair.

In respect of the account closure, the investigator noted Capital Com's explanation that the closure wasn't related to his complaint regarding the technical issues. Rather, after examination by their compliance team of an 'economic profile' submitted by Mr A, it was decided that due to the information provided about his source of funds, the level of risk involved might not be consistent with his personal circumstances, so it was in his best interests that the account should be closed.

The investigator felt Capital Com's actions in this regard were provided for in the terms of the account and, further, those terms had been applied fairly.

Mr A didn't accept the investigator's view, so the complaint's been referred to me to review.

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've come to the same conclusions as the investigator and for broadly the same reasons.

In respect of the technical issue, I can see that Capital Com took Mr A's concerns seriously and the evidence supports that it took steps to investigate and try to determine the cause of the problem. It engaged pro-actively with Mr A to seek further information and kept him informed of what it was doing and what it thought was causing the problem, explaining what had gone wrong.

There will unavoidably be issues that occur with this type of application from time to time. The terms of the account provide for this and set out that Capital Com will not be liable for any losses incurred. I would, nevertheless, expect to see the term applied fairly and, given the actions I've described above, I think that was the case.

I note Mr A's concerns about losses he feels he incurred as a result of the issue, but I don't think the evidence he's supplied supports a finding that a loss was incurred. As such, I'm satisfied that Capital Com's offer to pay compensation of £250 to acknowledge the distress and inconvenience caused by the issue represents a fair and reasonable resolution to the matter.

Turning to the issue of the account closure, I do understand why Mr A might have perceived Capital Com's actions as being linked to his making a complaint. The communication of its decision to him came very soon after it had issued its final decision regarding the technical issue matter. But having looked closely at the chronology of events I'm satisfied that the two issues were separate.

Capital Com has said that its decision to close Mr A's account was a result of him providing information that indicated that his income was low and derived from government benefits. That information was provided just over a month before the technical issue was first reported. So, the process of obtaining information and assessing it was in progress prior to the complaint.

As noted, Capital Com's terms do say that it is able to terminate the agreement, which is standard industry practice. But again, I would expect to see any that any application of the relevant terms was fair. In Mr A's case, I'm satisfied it was. Capital Com felt it was acting in his best interests given what it knew of his circumstances and the high risk associated with CFD trading. And it gave him reasonable notice of the account closure and while it prevented new positions being opened it allowed him time to manage his existing positions to a close.

In summary, I recognise Mr A's frustration with the matter. He'd been trading with Capital Com for well over a year, so I can understand why he'd have been disappointed that these situations arose. But in all the circumstances, I think the way Capital Com responded was fair, so I don't consider it needs to do more than it already has. I understand Mr A has already accepted the £250 offered for the distress and inconvenience caused by the technical issue.

My final decision

For the reasons given, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 18 April 2025.

James Harris
Ombudsman