

The complaint

Mr J complains that Freetrade Limited misled him about the terms of two offers to entice him to transfer money into his Self-invested Personal Pension (“SIPP”).

What happened

In January 2024 Freetrade sent Mr J an email letting him know about an offer for a free share, worth between £100 and £2,100, if he transferred at least £10,000 into his SIPP – this was part of Freetrade’s Transfer Campaign. He moved £10,000 into his account on 22 January 2024 with the aim of taking part in the offer.

In February 2024, Mr J received a further email, under Freetrade’s Tax Year End offer, letting him know that he could receive a free share if he transferred a minimum of £10,000 into his SIPP by the end of the tax year on 5 April 2024. He transferred £10,000 on 15 March 2024. However, Mr J didn’t receive any shares under either offer, so he raised a complaint.

Freetrade explained that under the terms of the Transfer Campaign, the money received into the account had to come from another investment account. As Mr J had transferred cash from his bank account, rather than from another investment, it didn’t qualify. Under the terms of the Tax Year End offer, they said it only applied to people who held an annual subscription account, either a Standard or a Plus one. Mr J held a Plus subscription, but it was monthly not annual.

Mr J remained unhappy and brought his complaint to our service, saying that the terms were ambiguous and the adverts he received were misleading. He said he’s missed out on two free shares, worth £100 each. An investigator at our service considered the complaint and found that the terms of both offers were clear, so she didn’t uphold it. Mr J disagreed, pointing to the specific wording of the relevant terms, arguing that they could be interpreted differently from how Freetrade says they should be interpreted.

The investigator wasn’t persuaded to change her mind, so the complaint has been passed 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.

Having done so, I’ve reached the same conclusion as the investigator for largely the same reasons. The primary issue I need to consider is whether the terms were misleading or ambiguous to the point they could be reasonably interpreted in a different way to Freetrade’s intended interpretation. If I were to find they were so misleading, then generally any ambiguity should be resolved in applying the interpretation that is most favourable to the consumer, Mr J. I’ve considered the terms of each offer separately for clarity.

The Transfer Campaign

I understand that the email Mr J received said *“Transfer at least £10,000 into either your GIA, ISA, or SIPP accounts and get a free share worth between £100 and £2,100”* and included a link to the full terms of the offer. In my view, it is not unreasonable to expect that a customer would check those terms, in order to ensure they were going to meet the relevant conditions. It’s understandable that not all terms can be highlighted in the email itself.

The terms themselves are not particularly long, and I can see the second section is titled *“How you qualify for an Award”*. This sets out various conditions for the type of account held and the length of time the account needs to stay open after the transfer. It includes:

“6. A *“Qualifying Transfer”* means one or more transfers of cash and/or investments which are made into a Freetrade Account:

- (a) Initiated by you between 13 November 2023 and 31 January 2024 from an investment account you have with another provider, using the transfer links provided by Freetrade or by using the Freetrade App;*
- (b) have a total value of at least £10,000 at the date the transfer is received by us.”*

Mr J’s transfer of cash into his account met most of these conditions – he transferred £10,000 between the relevant dates into a qualifying account. However, Freetrade say it didn’t meet the condition of the type of account that it came from – it had to be from an investment account. I understand Mr J feels the promotion was misleading because it wasn’t clear that cash transfers had to come from an investment account.

In my view, it’s clear the whole of section 6 needs to be read together – so both (a) and (b) need to be read with the first line, in order to understand the full definition of a qualifying transfer. There’s no suggestion that (a) only applies to investments transferred in and not cash. So, I’m not persuaded that this term is misleading about the source of the cash to be transferred in.

Overall, given the terms are relatively short and I’ve found that the relevant one is clear, fair and not misleading, I’m not convinced Freetrade did anything wrong by not giving Mr J the free share.

The Tax Year End Offer

I understand that this email from Freetrade was slightly different – it said: *“Transfer or top up at least £10,000 into either your ISA or SIPP accounts and get a free share worth between £100 and £2,100”*. Again, a link to the terms of the offer was included, which were a similar length to the Transfer Campaign terms, and as above, I consider it reasonable to expect customers to read the terms for this sort of offer.

This time a cash transfer from a bank account did qualify – reflected in the use of the phrase “top up”, as well as “transfer” in the email. The second section of the terms again set out the qualifying criteria, but they were slightly different to the terms of the Transfer Campaign. The Tax Year End terms said:

“How you qualify for an Award

5. In order to qualify for an Award, you must:

- (a) be the Account Holder of a Relevant Freetrade Account;*
- (b) have passed all of our onboarding checks;*
- (c) be a UK tax resident;*
- (d) have completed a W-8BEN form;*
- (e) have an annual Standard or Plus subscription at the time of award, and*

(f) have initiated one or more Qualifying Transfers into a Relevant Freetrade Account during the Validity Period stated above.

Mr J's transfer of cash into his account met most of these conditions – he transferred £10,000 as a cash payment between the relevant dates into a qualifying account. However, Freetrade says it didn't meet the condition at 5(e) – he didn't have an annual subscription set up for his account. Mr J says that particular term is ambiguous – he read it as referring to an annual Standard subscription, or any type of Plus subscription, and he had a monthly Plus subscription.

I've carefully considered the term in question, to decide whether it could reasonably be interpreted in the way Mr J says it should be. This includes thinking about whether his interpretation would be a common one, to the point where I could conclude it is a misleading term.

In my view the sentence structure is important here – the placement of the words “annual” and “subscription” in particular, and the lack of any commas or other breaks in the sentence that might suggest Standard subscribers would be treated differently to Plus subscribers. To illustrate this, if the term said *“have an annual Standard subscription, or a Plus subscription”* then it would be less clear as to whether Plus subscribers would need to have an annual subscription. In that example, the word “annual” would appear to only belong to the Standard subscription part of the sentence.

Instead, the way the sentence is structured shows me that the “annual” part of the sentence is intended to apply to both Standard and Plus subscriptions. It is simply a more efficient way of saying *“have a Standard or Plus account, paid for by an annual subscription”*. As a result, I'm not persuaded the term is misleading to the point that it could reasonably be interpreted in more than one way. So overall, I've concluded that Freetrade didn't do anything wrong by refusing to give Mr J the free share, as I've found the relevant term of the offer was clear, fair and not misleading.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 17 July 2025.

Katie Haywood
Ombudsman