DRN-5609570

Financial Ombudsman Service

The complaint

Mr K is unhappy as he feels Interactive Investor Services Limited ('IISL') executed his trades late, causing him a financial loss.

What happened

Mr K holds a investment portfolio on the IISL platform. On 10th March 2025, he submitted two sell orders – one for BlackRock North American at 1.19pm and the other for Baille Gifford American Fund at 1.36pm. He expected these to be executed at the 10th March price, but instead they executed at the follow day's price.

Due to the trades being executed later than he had intended, Mr K says he's incurred a financial loss of over £1000. On that basis, he complained to IISL who did not uphold his complaint as it said the sell orders came in after the cut off times that day for the particular funds in question.

Mr K was unhappy with IISL's response to his complaint, so he referred it to our service. Our investigator didn't think the complaint should be upheld, but Mr K disagreed so the case has been passed to me.

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.

It is not in dispute that IISL is an execution only service which didn't, and is not contracted to, provide Mr K with financial advice. IISL enables customers such as Mr K to run a self-managed investment portfolio, and it processes customer instructions in line with its terms. I note that IISL's terms of service, terms and conditions, best execution disclosure and guidance on its website give a clear picture of what to expect with regards to executing sell orders.

IISL has explained that funds are valued once a day and that orders must be submitted at least one hour before the individual fund's daily valuation time. This is set out on the 'Trading Funds' page on the IISL website. It also sets out that cut off times vary, and if a consumer wants to know the cut off time for a specific fund, to contact IISL by secure message or call them if looking to find out the fund order cut off time for that day.

The BlackRock North American deadline was 11am as the valuation point was 12pm, and the Baille Gifford American Fund deadline was at 9am as the valuation point was 10am. So the sell orders Mr K submitted were both after the cut off deadlines for that day, and therefore executed at the next day's valuation instead.

Mr K has said that his research into American Mutual Funds in general shows that a mutual fund's price is determined once a day when the stock markets close at 4pm Eastern Standard Time in the US. He doesn't agree that the valuation points IISL have set out for the two funds are therefore fair.

However the instruction from IISL is clear that Mr K would need to refer to cut off times for the specific funds from which he is intending to sell shares. Looking up the individual funds online, as Mr K would be expected to do since this is an execution only service, reveals cut off times in line with what IISL has outlined.

Taking everything into account, I cannot say IISL have acted unfairly.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 4 October 2025.

Artemis Pantelides
Ombudsman