

The complaint

Mr K has complained that Trading 212 Limited ('T212') didn't fulfil its obligations under a promotion it offered. Mr K would like to be compensated for the misleading information he says he received and the inconvenience he has been caused.

What happened

Mr K opened a stocks and shares ISA account with T212 on 5 April 2025 via a promotional link which allowed him to claim a free fractional 'Reward Share'. Shortly afterwards Mr K was informed that as he had fully used his ISA allowance for the year, he was ineligible for the free Reward Share. Mr K says the explanation he was given was confusing and he declined the advice to open a general investment account in order to receive the Reward Share for tax reasons.

Mr K raised his concerns with T212 who responded on 9 April 2025. It said;

- It explained that all free fractional Reward Shares counted towards Mr K's annual ISA allowance as disclosed in its promotional terms.
- As an alternative to opening a taxable account Mr K could withdraw £100 from his flexible ISA – the maximum share value which Mr K could receive under the promotion – which would release enough of the ISA allowance for the Reward Share to be allocated.

Mr K didn't want to do this as he says he would lose interest on the withdrawn amount and limit the use of his annual ISA allowance. Remaining dissatisfied Mr K brought his complaint to the Financial Ombudsman Service.

Our investigator who considered the complaint didn't think T212 had done anything wrong. He was satisfied T212's Terms made clear the maximum ISA contributions that could be made annually and it had offered Mr K two options in order to receive the Reward Share.

Mr K didn't agree. He thought the investigator had misunderstood the Terms and hadn't taken account of the example he had provided about existing customers fully utilising their ISA allowance and receiving a Reward Share. He reiterated it wasn't made clear to him that Reward Shares would count towards his annual ISA allowance, T212 had failed to communicate clearly and hadn't met regulatory or advertising standards.

Mr K asked that his complaint be reviewed by an ombudsman, so it has been passed to me for 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.

After doing so, I've reached the same conclusion as the investigator and broadly for the same reasons. I'll explain why.

Mr K has questioned whether the promotion adhered to the overarching Consumer Duty Principle, the regulator's financial promotion guidelines and the Advertising Standards Authority codes. He says the promotion didn't make clear that a bonus/Reward share would count towards his annual ISA allowance. He had added the maximum to his ISA account as he wasn't aware the fractional share entitlement would be included in that and while he appreciates that HMRC rules don't allow for his annual allowance to be exceeded he says the promotion didn't make this clear and he questions how – as a customer – he was meant to know this.

The regulator – the Financial Conduct Authority ('FCA') – requires that financial promotions should be clear, fair and not misleading and the information provided should be balanced and allow the customer to make an informed decision. The Consumer Duty requires that a regulated business should seek to ensure good customer outcomes. I've borne this in mind in my consideration of Mr K's complaint.

Mr K has told us he opened his ISA with T212 in good faith, but it wasn't made clear to him that the value of the Reward Shares – which are randomly selected and could range in value from €/£8.00 to €/£100.00 – would count towards his annual ISA allowance. Because of this he says the promotion was misleading and he has lost out as a result. He says he doesn't expect T212 to break HMRC rules in its allocation of the Reward Share, but it should provide him with a gesture of goodwill.

I've reviewed T212's 'Promo Code Terms' which outlined the terms of the promotion Mr K participated in when opening his ISA account as well as T212's ISA Terms Mr K agreed to;

'4.8. If you are a UK resident, the Reward Shares will be allocated to the relevant In-scope Account where you first meet the eligibility criteria. If awarded to your Stocks ISA Account, please note that Reward Shares count towards your ISA Allowance Limit as outlined in our ISA Terms. You can find the latest versions of our ISA Terms here.'

I think this clearly explains that the value of the Reward Shares would be included as part of the annual ISA allowance. And the Promo Code Terms further refers to Reward Shares counting towards the annual ISA allowance;

'5.2. If you are a UK resident and open both an Invest [general investment account] and Stocks ISA Account with us, the Reward Shares will be allocated to the account where a deposit was first made. If awarded to your Stocks ISA Account, please note that Reward Shares count towards your ISA maximum subscription limit as described in our ISA Terms.'

Mr K says that as he didn't open 'both' a general investment account and a stocks and shares ISA then the terms are invalid. But I disagree. The weight of the reference to 'both' types of account applies to where the Reward Share would be allocated if a customer held both a general investment and ISA account. And the subsequent reference to the Reward Share counting towards the maximum ISA allowance maximum is relevant whether a customer had either both accounts or just an ISA account.

And the linked ISA Terms make clear that it's the customer's responsibility to ensure they don't exceed the annual ISA allowance;

'2.3. Every tax year the total value of contributions to be invested in your ISA account is up to twenty thousand (20,000) GBP (the "ISA Allowance Limit"). The allowance can be split between your Stocks ISA and Cash ISA, as well as with ISA accounts

held across other ISA providers. It is your responsibility to ensure that you comply with the specified limits in the ISA Regulations and that all eligible ISA subscriptions in a given tax year do not cumulatively exceed the ISA Allowance Limit.'

Looking at the Terms I don't agree there was anything ambiguous about them in that they made clear any Reward Shares would have a monetary value and that value would count towards the customer's annual ISA allowance. T212 simply couldn't add the Reward Share to Mr K's ISA to bypass HMRC rules. And I'm satisfied the information given about that was clear, fair and not misleading so I don't think T212 failed in its regulatory obligations. So, I don't uphold this complaint point.

And T212 also provided Mr K with two other options about how he could receive the Reward Share which I think are fair and reasonable. He could either temporarily reduce the amount in his flexible ISA account or have the Reward Share allocated to a general investment account.

For the first option Mr K could have taken £100 out from his ISA account and if the value of the Reward Share was less than £100 (only 2% of customers received a Reward Share valued between €/ \pounds 75.01 to €/ \pounds 100) then Mr K could re-deposit the balance to ensure his ISA allowance was fully utilised for the tax year. Mr K says this would cause a financial loss because of lost interest and limit the use of his ISA allowance. But looking at the Promo Code Terms, once the customer was eligible for the Reward Share – in this case when Mr K withdrew £100 from his ISA to free up some of the allowance if he were to choose this option – the Reward Share would be allocated within three business days. After that Mr K could have recredited his ISA with the remaining balance to take his ISA up to the full value of the annual allowance. So, Mr K would only have lost up to three days' worth of any interest he was earning or limitation on the use of his allowance which I don't think is onerous.

While Mr K has said he didn't want to receive the Reward Share outside of his ISA account – where he could have sold the Reward Share after the 30 day lock up period and either bought it back in his ISA account or paid the proceeds into his ISA subject to annual limits – because of the potential tax implications. But as Mr K had already utilised his ISA allowance, and he wasn't willing to temporarily reduce the amount in his ISA, this was the only other option available to him but that was a decision for Mr K to take. But overall, I think both alternatives offered by T212 were fair and reasonable in order for Mr K to benefit from the terms of the promotion, so I am satisfied T212 met its obligations.

Our investigator had asked Mr K where he expected his Reward Share to be allocated when his ISA allowance had been fully utilised. Further to this Mr K provided an example of an existing T212 customer referring a new customer where both customers would receive a Reward Share. He said it didn't say anywhere on the FAQ of the promotion where the Reward Share would go if the existing customer had already utilised their ISA allowance. He says this supports his position that the terms of the referral weren't clearly explained. But this isn't relevant to Mr K's specific complaint. And when this service considers a complaint we look at the circumstances relevant to that particular complaint – and not other customer experiences – so I won't be taking Mr K's example into consideration here.

I recognise Mr K's disappointment. He says that the promotion of a free fractional Reward Share was a significant factor in his decision to invest into his ISA account with T212. And I appreciate he is frustrated because he feels the promotion wasn't clearly advertised.

But as I have explained above, I am satisfied the terms of the promotion along with the ISA terms make clear the value of the Reward Share would count towards the ISA allowance, and it was the customer's responsibility to ensure the allowance wasn't exceeded. Mr K had already utilised his maximum ISA allowance for the year when he applied for the promotion

so was aware of the annual limitation – and as stated in T212’s terms – and T212 can’t act outside of the ISA regulations laid down by HMRC. So, I don’t think T212 has treated Mr K unfairly or unreasonably or hasn’t sought good outcomes for him with the alternatives it has offered.

I don’t have the power to make a finding on behalf of the Advertising Standards Authority but if Mr K still has concerns, he should raise it with them directly.

It follows that I don’t uphold Mr K’s complaint. I appreciate he will be disappointed with the outcome. It’s clear Mr K feels strongly about it, and I’d like to thank him for the time spent and efforts he has made in bringing his complaint, but I hope I have been able to explain how and why I have reached my decision.

My final decision

For the reasons given, I don’t uphold Mr K’s complaint about Trading 212 Limited.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr K to accept or reject my decision before 6 February 2026.

Catherine Langley
Ombudsman