

## The complaint

Mr P complains that failings by Interactive Investor Services Limited ('Interactive Investor') prevented him from effectively managing his investment and so caused him to lose money. He wants Interactive Investor to compensate him for financial loss.

## What happened

Mr P had a stocks and shares ISA with Interactive Investor. He says he opened the ISA in 2023 for the purpose of investing in a company I'll call 'B' which was listed on the Canadian Stock Exchange (CSE).

On five dates between January and August 2023 Mr P bought shares in B using his Interactive Investor ISA.

Between January and August 2023 Mr P telephoned Interactive Investor a number of times to purchase shares in B because he was unable to submit the order using Interactive Investor's app. Mr P said he'd messaged Interactive Investor about the issue and it said he should be able to buy shares in B on the online platform, but he wouldn't get a quote until he was about to buy.

During the calls Interactive Investor made a number of purchases in B for Mr P. It made various comments about the situation, including that *'a lot of Canadian stocks are affected by this issue. It's due to the way we get the pricing information for them'*.

During the calls Mr P indicated that he could see prices for B online, using other sources of information. And he indicated he was monitoring at least some aspects of B's activities.

During a call in August 2023 Interactive Investor talked Mr P through placing an order through its website and Mr P was able to place the order himself on the website. He asked if Interactive Investor knew when the issue would be resolved that led to Mr P seeing *'no live price'*. Interactive Investor said it hadn't heard any updates about that and couldn't say.

During another call in August 2023 Mr P asked why an order he'd submitted hadn't been filled. Interactive Investor said the price hadn't reached Mr P's limit. It said it used the CSE website to look at prices and it suggested Mr P could use that too. He said he would.

Also during one of the calls Mr P asked Interactive Investor if he could trade another particular stock using Interactive Investor's service. He said he thought the stock traded on the same Canadian exchange as B, which was CSE. Interactive Investor said it didn't currently offer that stock. It asked Mr P if he'd like Interactive Investor to look into making it available and he said he would.

In August 2024 B shares were suspended from trading on the CSE.

On 12 April 2025 Mr P complained to Interactive Investor.

Interactive Investor replied to Mr P's complaint saying the following:

- Mr P had complained that Interactive Investor ought not to have made B available on its platform.
- Interactive Investor routinely reviewed the range of investments available on its platform. It wasn't obligated to offer all investments, or to justify those it chose to offer. As per 2.2 of Interactive Investor's terms of service, the decision about what to offer was at Interactive Investor's discretion.
- Interactive Investor had classed B as a complex financial instrument and had therefore required Mr P to complete an appropriateness test before trading B. Mr P had passed the test on 18 January 2023.
- As an execution-only customer Mr P was responsible for keeping up with company information that was relevant to his shareholding.
- Information from the CSE might have been limited on Interactive Investor's platform. But all information available for B could be found on the CSE website.

Mr P wasn't satisfied. He referred his complaint to this service. He said he wouldn't have lost the money he'd lost through his investment in B if Interactive Investor had provided the data it promised in its marketing material because if B had provided that data he would've been able to manage his investment effectively. Mr P provided a copy of marketing material from Interactive Investor. He highlighted excerpts that said: *'Keep track of the markets you're interested in and invest globally, whenever you want and wherever you are', 'access to live market prices', 'all the information you need at a glance' and 'Manage your investments wherever you are with the new ii app'.*

One of our investigators looked into Mr P's complaint. She didn't think Interactive Investor had acted unfairly. In summary she said the following:

- Mr P said it was after he'd invested in B that it became apparent to him that the stock price charts for B didn't work on Interactive Investor's platform. But the call he made to Interactive Investor to make his first purchase of B shares showed he knew, before making the purchase, that the information about B on Interactive Investor's online platform was limited.
- Mr P said Interactive Investor told him when he telephoned that it knew there was a problem with the data feed from the CSE and the problem would be fixed. And because the problem hadn't been fixed Mr P had lost all of his investment when B ceased trading. But during calls Mr P asked about a fix to the data feed problem and Interactive Investor didn't give any assurances that there would be a fix.
- Mr P had said Interactive Investor had a regulatory obligation to give Mr P information about its products and services which was clear, fair and not misleading. But there weren't any prescriptive regulations that obliged Interactive Investor to give him real time information about every asset he held.
- In practice Mr P was able to buy B on Interactive Investor's platform, although he had to do that mostly by telephone. And he was able to get market data during calls with Interactive Investor. Interactive Investor's promotional literature didn't expressly say all market data for all securities would be fully detailed on its own interface – just that access was available. So the investigator didn't think the literature was inaccurate or misleading in the circumstances.
- Interactive Investor provided an execution-only service. But because it didn't have

the same data feed for B as it did for most other stocks, it required Mr P to complete an appropriateness test before trading in B. And his answers gave Interactive Investor to believe he had the knowledge and experience to trade in what Interactive Investor categorised as complex instruments.

- The appropriateness test included the following statement acknowledged in the affirmative: *'I understand that there may only be very limited and/or very complex product literature available for certain financial instruments (e.g. hedge funds)'*. When Mr P was asked to complete this test, it should've been apparent to him that he might have to seek external information about his investment, and he indicated he was comfortable doing that. Mr P also answered that he was a professional with relevant experience, qualifications or knowledge.
- The problem with live data for B wasn't unique to Interactive Investor; it was caused because some smaller exchanges didn't provide the same depth of data in live feeds, and Interactive Investor had told that to Mr P.
- Interactive Investor had been helpful on the phone and enabled Mr P to make trades.

Mr P didn't agree with the investigator's view. In summary he said the following:

- Interactive Investor's promotional material created a reasonable expectation that he'd have access to accurate and timely market data for all investments available through the platform.
- The ability to monitor investments was a core feature of an execution-only platform and it required accurate data. And it had been a key selling point. It wasn't reasonable to think Mr P would monitor daily price movements or otherwise manage his portfolio by telephone.
- By failing to provide accurate price tracking Interactive Investor impaired Mr P's ability to make informed decisions which caused him a financial loss which in turn impacted on his health. And so it caused Mr P a poor outcome.
- Without evidence from Interactive Investor, it wasn't reasonable to assume Mr P had completed the appropriateness test before his purchases.
- In the test, the statement about *'very limited and/or very complex product literature'* referred to instruments like hedge funds, not basic price data for a listed equity. And Mr P's acknowledgement of potential complexity in product literature didn't mean he accepted the absence of basic price visibility.
- The appropriateness test didn't absolve Interactive Investor from ensuring its platform and marketing weren't misleading.
- In a published decision an ombudsman upheld a complaint where an appropriateness test was completed but the firm still failed to act fairly and reasonably in promoting and arranging the investment.
- Mr P had opened his account solely to invest in B, *'relying on Interactive Investor's representations'*.

The investigator considered Mr P's comments but said she still didn't think Interactive Investor's communications were inaccurate or misleading in a way that failed to comply with FCA rules. She said Interactive Investor made clear that access was available but it didn't

guarantee comprehensive real-time data for every exchange, and there was no specific regulatory requirement to provide that for all securities. She also said Mr P completed the appropriateness test before making his investment, and the limitations around data from the CSE had been explained to him.

Because no agreement could be reached, the complaint was passed to me to review afresh and make 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.

Having done so, I'm not upholding the complaint. I'll explain why.

The purpose of this decision is to set out my findings on what's fair and reasonable, and explain my reasons for reaching those findings, not to offer a point-by-point response to every submission made by the parties to the complaint. And so, while I've considered all the submissions by both parties, I've focussed here on the points I believe to be key to my decision on what's fair and reasonable in the circumstances.

It's not in dispute that, for Mr P's investment in B, Interactive Investor's online platform didn't display information such as live pricing data which Mr P wanted to see and which Interactive Investor would usually provide in respect of the investments available through its platform. Interactive Investor explained on various occasions that the cause of this was that B was listed on a small Canadian exchange which didn't provide data in a way that could enable a stream on Interactive Investor's online platform. I accept Interactive Investor's explanation for that and I don't find the lack of that data on the online platform was, itself, a failing.

I also don't find that Interactive Investor gave Mr P any undertakings or assurances in relation to better data becoming available on Interactive Investor's online platform. On the contrary, Interactive Investor variously said that this was a problem for certain Canadian stocks, that the problem wasn't unique to Interactive Investor, that Interactive Investor and Mr P both had to rely on third-party sources to be able to see live prices online, and that Interactive Investor couldn't say if or when the situation would change.

I'm not persuaded that limitations in the way B could be traded or in the information Interactive Investor could provide online meant Interactive Investor ought not to have facilitated Mr P's trades in B. In recognition that trading B would be more difficult for its customers than trading shares generally, Interactive Investor administered an appropriateness test. Under FCA rules the appropriateness test is required where customers will trade certain complex investments. I haven't seen that shares in B were an investment that triggered the requirement for an appropriateness test under FCA rules. But I understand Interactive Investor made a business decision to use the test to help protect customers who would trade investments that were less straightforward than most. And based on Interactive Investor's records I'm satisfied Mr P passed the test in January 2023.

Mr P has said he didn't think that the test's warnings about limited information being available for some investments would apply to the shares he intended to purchase. Whether or not Mr P expected any limitations to apply to the information available in his case, I think the test ought, at least, to have flagged to him that for some investments Interactive Investor wouldn't be able to provide information he might want or expect. I agree with Mr P that the appropriateness test doesn't negate the need for Interactive Investor's communications to be clear, fair and not misleading. But I think that administering the test in Mr P's case was a reasonable step to convey that, for some investments, the information Interactive Investor

could make available was limited. In any case, as it was, the limitations that applied to information about B were apparent to Mr P before he made his first purchase.

Because Mr P willingly traded B even after he knew of the data limitations, I can't say that he would've refrained from trading B if Interactive Investor's marketing material had been different.

I also note that while Mr P was already trading B shares, despite not seeing the information he wanted on Interactive Investor's online platform, he enquired with Interactive Investor about the possibility of buying another stock that traded on the same exchange. So Mr P showed Interactive Investor that he still wanted to be able to trade such stocks, despite the risks associated with limited information from Interactive Investor being apparent to him. So Mr P showed he was prepared to trade in that particular share even after finding out that data from the CSE wasn't available on Interactive Investor's platform.

Mr P mentioned another complaint in which he said an ombudsman found the business ought not to have arranged an investment even after its customer had passed an appropriateness test. It's important to note that this service considers every complaint on a case-by-case basis and I'm required to make my decision here based on what I find is fair and reasonable in the particular circumstances of this complaint. Nevertheless I looked at the ombudsman's decision in the case Mr P mentioned. But I didn't find it helpful for Mr P's case due to material differences in the circumstances of the two cases.

Mr P hasn't said how, in practice, he believes Interactive Investor's service provision caused him to lose money on his investment. He hasn't said, for example, that he wanted to sell his shares in B at any particular time but that Interactive Investor prevented him doing so. I understand Mr P found it more difficult than he initially expected to monitor and manage his shareholding in B because Interactive Investor didn't provide the data he wanted on its online platform. But that doesn't mean Interactive Investor was responsible for Mr P's decision to invest in B or for the fact that Mr P still held his investment when B was suspended from trading.

Mr P knew before he bought the shares that Interactive Investor's online platform provided only limited information about B. He discussed that with Interactive Investor a number of times by phone, including before he made his first purchase. And he bought more shares a number of times while having those conversations. So I think Mr P made his investment decisions in the knowledge that Interactive Investor's information provision about B was limited. It follows that, although he says Interactive Investor's marketing material was misleading, I don't believe Mr P was misled at the time he made his purchases. And so I don't find that Interactive Investor's marketing material could have been responsible for Mr P's investment loss.

Mr P demonstrated during calls with Interactive Investor that he'd looked at the live trading price of B on third party websites. And he indicated he was familiar with developments in B's activities and performance. So it's evident that at the time he invested in B Mr P knew he could monitor the activities and performance of B through other sources. And he was doing so, given that the information he wanted wasn't available on Interactive Investor's online platform.

I do understand that it would've been inconvenient for Mr P to have to make transactions by telephone, and later through the website, and to have to seek other sources of information to help him monitor and manage his investments. But I don't find that these things amount to failings on the part of Interactive Investor. And I do find that Mr P made his investment choices in the knowledge of these limitations.

So while I am sorry for Mr P's experience here, especially knowing that his financial loss impacted on his health. But in the circumstances I don't find that his investment loss was the result of any failure by Interactive Investor. So I can't fairly and reasonably require Interactive Investor to compensate him for that loss.

### **My final decision**

For the reasons I've set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 3 March 2026.

Lucinda Puls  
**Ombudsman**