

The complaint

Mr K complains that Interactive Investor Services Limited (IISL) has charged him more than £3.99 commission on the trades he's placed with it under his pension, general investment and ISA accounts. He feels this is unfair and incorrect as IISL's website and app don't indicate that the £3.99 commission only applies to transactions below £100,000.

To put things right, Mr K would like IISL to refund any charges over £3.99. He would also like it to make the charges clearer on its website and app.

What happened

Mr K has pension, general investment and ISA accounts with IISL which I understand he started in early 2018 on an execution only basis. In May 2018, IISL emailed Mr K with information about his Self-Invested Personal Pension (SIPP). This included a link to the SIPP's terms and conditions.

Mr K said that when he took out his pension, IISL sent him two emails, but neither of them mentioned dealing costs. He said that when he realised he was being charged more than the £3.99 he'd expected to be charged on trades of over £100,000, he complained to IISL on 20 May 2025. He was unhappy with the lack of clarity over the trading charges.

IISL issued its final response to the complaint on 27 May 2025. It didn't think it'd done anything wrong as it felt the charges had been applied correctly. It said its published Rates and Charges clearly stated under the section "Other Trading Fees":

"Buy or sell UK shares, funds (unit trusts and OEICs), bonds, gilts, and exchange traded products. Trade value £100,000 or more. £40".

IISL acknowledged that Mr K didn't think it'd made this fee sufficiently clear. But it noted that the account he held with it was a self-managed platform. It therefore felt that it was Mr K's responsibility to ensure he was familiar with its full fee structure. IISL said this was always accessible on its website.

Unhappy with this response, Mr K brought his complaint to this service. He wanted IISL to refund him for each occasion he'd paid more than £3.99 for a transaction. He felt his plan clearly showed a rate of £3.99. He said IISL had charged him a fee of 0.4% of the transaction value on some of his transactions over £100,000. He felt that if this had been clear, he could have made multiple transactions under £100,000 which would've reduced the charges he paid.

Mr K said his complaint was about the misleading information IISL provided on its website and app. He said the both the app and website showed a charge of £3.99, despite higher charges applying for certain trades. Mr K acknowledged that IISL had said the charging information was in the terms and conditions. He said his complaint was that there was no place where the higher charges were highlighted when he reviewed his plan. He also provided a screenshot of IISL's app. He said this didn't explain the higher charges that would apply for trades of over £100,000.

Mr K said that during its investigation of his complaint, IISL had raised his feedback about the way charges were presented for further consideration. He felt this showed it'd done something wrong. He didn't think it was fair that the higher charges were hidden in the small print.

IISL told this service it details the cost for its services on its website online. It said that on both account opening and migration, it provides its customers with a link to its terms of service and charges.

IISL said its commission charges started from £3.99 on UK trades. But to ensure its customers could make an informed investment decision, it also disclosed the value of the commission they were due to pay on the pre-trade screen on both the website and the app. IISL provided this service with evidence showing this.

Our investigator didn't think the complaint should be upheld. He felt IISL had made it clear that a fee greater than £3.99 could be charged, noting that its terms and conditions explained when that would be the case. Although he agreed with Mr K that IISL's disclosure that the charge for certain trades would be higher than £3.99 could've been clearer, he noted that a full breakdown of the charges that would be incurred were shown on the app before a customer made a trade. He was therefore satisfied that IISL had made Mr K reasonably aware of the applicable charge before he sent his trade instructions.

As agreement couldn't be reached, the complaint has come to me for a 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'm not going to uphold it. I know this will be disappointing for Mr K. I'll explain the reasons for my decision.

Mr K's complaint is that IISL has provided misleading information on its website and app. So I've first looked at the charging information IISL provided to Mr K.

Charging information provided

IISL said it provided Mr K with a link to its terms of service and charges when he opened his account. But Mr K felt that the only clear information he'd been given was that the charge for his trades would be a flat £3.99. He provided this service with a screenshot from the app showing a plan summary stating that the commission costs for UK and US shares would be £3.99.

Mr K went on to tell this service that IISL's charging information didn't even have an asterisk by the £3.99 to state that higher fees would apply if a transaction exceeded £100,000. And that this had led to him thinking that the trades he'd placed over £100,000 would have a charge of £3.99, not the vastly greater fee he was charged.

IISL said the cost for its services was clearly shown on its website. It acknowledged that its commission charges started from £3.99. But said that it disclosed the value of the commission a customer was due to pay on the pre-trade screen on both the website and the app. It provided screenshots showing that a UK share trade over £100,000 would have estimated commission of £40.

IISL also said that the majority of trades completed on its platform fell under the £100,000

threshold.

Mr K has provided this service with an email from IISL in May 2018 which includes a link to the terms and conditions of his SIPP. Section 10 (Charges and taxes) stated the following:

“10.1 You will pay the charges for the SIPP Investment Services that are set out from time to time on our Rates and Charges...”

The terms and conditions document also defined “Rates and Charges” as follows:

“means the details of any interest, costs, fees or other charges, as varied from time to time, which apply to your SIPP and SIPP Account with us. We will give you these details when you apply for your SIPP. you can also find out about them by ringing [telephone number] or by checking them on our Website.”

I’ve also been provided with the terms of service for the other parts of Mr K’s IISL account. These stated the following:

“5.16 Charges will be payable in respect of each Purchase as specified in the Rates and Charges...”

The terms of service defined “Rates and Charges” in almost exactly the same way as the SIPP terms. Further, the terms of service stated the following under section 11 Charges and taxes:

“11.1.1 You will pay the charges for the Services that are set out from time to time on our Rates and Charges...”

I’m satisfied this clearly explains that the Rates and Charges document contains full charging information. And that it also explains how to access that document for both Mr K’s SIPP and his other account. I did this myself through two different IISL web links. The SIPP Rates and Charges document is two pages long.

On the first page of the document, in a row headed “*Online Trading Fees**”, it states that the cost for “*UK Shares and Funds, US Shares*” would be £3.99. Other fees are quoted for other types of trade, but the highest charge on page 1 of this document is £9.99.

However, the asterisk from the row header leads to a note which states “*For UK and US trades over £100,000, and other International share trades over £25,000, please see the ‘Other Trading Fees’ table on page 2*”.

Under a large typeface heading “*Other trading Fees*” on that page, it states:

“Buy or sell UK shares, funds (unit trusts and OEICs), bonds, gilts, and exchange traded products. Trade value £100,000 or more. £40

Buy or sell US shares. Trade value £100,000 or more. 0.04% of trade value

Buy or sell other international shares. Trade value £25,000 or more 0.01% of trade value”

I’m therefore satisfied that Mr K ought reasonably to have known what he needed to do to access the Rates and Charges document applicable to both his SIPP and his other account. I’m also satisfied that the document clearly explained what the charges would be in a range of circumstances.

Based on the documentary evidence provided, I'm satisfied that IISL provided Mr K with the terms and conditions for both his SIPP and his other trading account. And that these clearly explained what the Rates and Charges document was used for and how he could access it. I'm therefore satisfied that IISL took reasonable steps to make Mr K aware of the charges he would face when carrying out any trade.

I next considered Mr K's point about the information shown on IISL's app.

IISL's app

Mr K felt that our investigator hadn't considered the fact that IISL continued to advertise the lower cost of £3.99, while not making it clear that a higher cost could be charged. He felt this was misleading.

I acknowledge that Mr K has provided a screenshot showing the standard fee of £3.99 for trades in UK Shares and Funds and US Shares. But, despite this, I'm satisfied that IISL's process ensured that a consumer trying to make a trade that didn't meet the standard charge criteria would have been presented with the correct commission they were due to pay on the pre-trade screen on both the website and the app.

I also consider that it was reasonable for IISL to detail the standard charges on the app. I say this because there's clearly not enough room on an app to detail all possible charges in all situations. As such, I'm of the view that it was fair for IISL to make all the charges clear within its Rates and Charges document, whilst highlighting the most common ones on the app.

Furthermore, I'm not persuaded that IISL's website does only state a £3.99 charge. As I noted earlier, the first page of the Rates and Charges document does include the £3.99 charge alongside other higher charges of up to £9.99. But page 2 - which is referenced from page 1 - clearly outlines the situations when £40 or 0.4% of the transaction will be charged.

Therefore, while I know Mr K will be disappointed with my decision here, I'm satisfied that IISL's presentation of the commission to be charged was sufficiently clear, even if the commission to be charged was non-standard.

As our investigator noted, a further point here is that Mr K took out an execution only plan. I therefore agree with him that it was his responsibility to understand the costs involved before trading.

I finally considered Mr K's point that, had IISL's charges been clearer, he could've paid less by making multiple transactions under £100,000.

Could Mr K have paid less if the information had been clearer?

Mr K told this service that the lack of charging clarity meant he'd placed trades greater than £100,000 thinking that the fee would only be £3.99, when he was actually charged far in excess of this. He said that once he'd found out about this, he'd split his orders accordingly to ensure he'd be charged £3.99 for each trade. He felt this demonstrated that he hadn't been aware of the higher fees before he'd started doing this.

IISL told this service that it expected its customers to place orders for the full intended amount. It said that placing consecutive orders within the same security immediately after each other could be considered to be ramping, which is a form of market abuse.

As I explained earlier, I'm not persuaded that Mr K didn't have enough information available

to him about the charges he would face when carrying out his trades. Therefore I can't reasonably agree that he would've been charged less if he'd had clearer information from IISL.

I've not been provided with any evidence that IISL has failed to charge Mr K the correct amount for a trade. And based on what I've seen, I'm satisfied that IISL provided Mr K with sufficiently clear information before he placed a trade that he ought reasonably to have been aware of what that trade would cost him before he made it. Therefore, I can't reasonably require IISL to refund Mr K for each occasion he'd paid more than £3.99 for a transaction. Nor can I fairly agree that IISL has incorrectly charged him a fee of 0.4% of the transaction value on some of his transactions over £100,000. And I don't uphold the complaint.

My final decision

For the reasons explained above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 3 December 2025.

Jo Occleshaw
Ombudsman