

The complaint

Mr T complains that Spreadex Limited unfairly restricted his account and caused him a financial loss.

What happened

Spreadex restricted Mr T's trading account in June 2024. Mr T is unhappy that it did so without notifying him and because Spreadex didn't explain its reason for the restriction. Mr T says he didn't know about the restriction until January 2025, after noticing there was an issue with his ability to action the account online. He adds that Spreadex unfairly limited his ability to trade.

At the time, Mr T contacted the firm via telephone and says it was at this point that he was advised of the restriction. He says Spreadex's actions limited his trading ability and caused losses of over £100,000. Mr T also says this caused him difficulties meeting his financial commitments and caused him to experience anxiety and stress. At the time of raising his complaint, Mr T wanted the restriction lifted and his losses reimbursed.

Mr T also complains about his interaction with the firm in January last year. He says he made it clear to the call handler that he wanted to close all his positions, but Spreadex failed to do so – causing him losses that he wants the firm to reimburse him for.

In responding to the complaint, Spreadex explained it had acted in line with its terms and conditions, so it wasn't liable for any potential trades Mr T was unable to carry out. Remaining unhappy, Mr T asked this service to investigate his complaint. He says the firm has breached the law and the regulator's rules and feels he's been discriminated against. One of our investigators issued their outcome, concluding that Spreadex had acted fairly so it wasn't liable for the loss Mr T points to.

Mr T disagreed with the investigator's findings. He's provided an extensive response to the investigator's outcome which, in the interest of keeping things concise, I won't set out the detail of here. Because he disagreed, the complaint has been passed to me for a final review.

Whilst the complaint has been with this service, Mr T seems to have raised further concerns about Spreadex that didn't form part of his original complaint. He's unhappy about what he thinks is unauthorised activity on his account. Mr T also complains that Spreadex failed to prevent alleged fraudulent access to his account in 2024, communicating without an unauthorised third party. I can't see that either issue has been raised as a formal complaint with Spreadex, nor has a final response been issued on both matters. So, although I may make reference to some of the comments Mr T has raised, I won't be making a finding on whether there's been a failing on the firm's part in relation to these particular concerns.

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.

I realise that Mr T has provided extensive submissions about his complaint. So I'd like to start by saying that I've considered all the arguments and evidence provided by both parties, but in this decision, I'll be referring to and focusing on what I consider to be the main points. No discourtesy is intended by this. We aim for our decisions to be as concise as possible.

Having reviewed everything, I know Mr T will be disappointed to hear that I'm not upholding this complaint. I'll explain why.

I need to start by clarifying that this service is unable to make findings on whether something constitutes discrimination as per The Equality Act 2010. This is because this service is an informal alternative to the courts, and only a court of law can make a legal finding based on the definitions set out within the act. However, I can consider whether Spreadex has acted in a fair and reasonable manner, and to do that I will take several things, including The Equality Act 2010, into consideration.

Firms that operate in the UK (including Spreadex) are required to carry out specific actions to meet legal and regulatory obligations. This includes the requirement for firms to complete ongoing monitoring of existing business relationships. And that sometimes results in firms deciding to restrict or - in some instances - close customer accounts.

Spreadex has provided me with information to show why it reviewed Mr T's account. Having considered this, I'm satisfied the firm acted in line with its regulatory obligations. Spreadex's terms also explain that it can restrict accounts – given the information the firm has shared with me, I'm satisfied Spreadex exercised its rights under the terms fairly.

It's important that I point out that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for several reasons – for example, if it contains security information, or commercially sensitive information. Although I've taken on board Mr T's thoughts on this, some of the information Spreadex has provided is information I consider should be kept confidential.

Mr T has since established that Spreadex restricted his account following his submission of a bank statement in June 2024. He says he was unaware of this (and the restriction overall) until he discovered he was unable to action his account in January last year. However, I can see from the communications Spreadex had with Mr T around the time it applied the restriction, during which the firm advised Mr T that his account was under review. I can't see that Mr T followed up or responded to this communication. So I'm persuaded that Spreadex informed him of the restriction at the time.

Mr T is concerned that Spreadex didn't contact him following its application of the restriction, until he contacted the firm himself in January last year. It isn't within my remit to determine the process Spreadex should have followed as part of the application of its regulatory obligations. The firm's process is something only the regulator can influence. I can only reach a finding on whether Spreadex acted fairly in exercising its regulatory duties here. I'm satisfied that it did.

It's up to Spreadex to determine whether it needed to conduct further follow up with Mr T. In this instance, the firm didn't find cause to contact Mr T as part of its review. Based on the information Spreadex shared with me in confidence, I'm satisfied the firm acted appropriately. It's possible that Spreadex could have acted with more haste as part of its review. But, in keeping in mind the content of Spreadex's review, I don't think the firm's failure to do so makes a difference here.

Mr T recently submitted that the communications with Spreadex at the time weren't genuine communications between him and the firm. He claims that Spreadex has doctored its records and that it had engaged with an unauthorised third-party about his account – whom he thinks provided the bank statement Spreadex has referred to. Mr T has shared technical data and submissions from a third-party firm, that has analysed the records and the relevant data – he says this is evidence that it wasn't him that communicated with Spreadex in June 2024. He adds that he didn't submit the bank statement Spreadex has referred to and suggests that the firm failed in its duty to prevent unauthorised access to his account.

I appreciate Mr T feels strongly that Spreadex had communicated with an unauthorised third-party and not with him directly. But the evidence shared by both parties persuades me that it's more likely than not that Spreadex was communicating with Mr T.

Specifically, the communications seem to have been sent to Mr T's genuine email address, and I have no reason to doubt that these communications were received by Mr T. Listening to the initial call Mr T made to Spreadex in January 2025, I note that the advisor mentioned that the restriction was due to a bank statement Mr T had previously provided. Mr T didn't seem surprised by this comment, nor did he mention that he didn't recognise this as an accurate interaction between him and the firm.

I acknowledge Mr T has provided details of records he's obtained as well as details of analysis conducted by a third-party firm. I don't think it's important for me to break down in detail what my thoughts are in relation to this analysis. Ultimately, I'm not persuaded that it's likely that Spreadex had been communicating with an unauthorised third-party. Given this, I'm satisfied Spreadex informed Mr T of its decision to restrict his account.

Mr T submits that the restriction prevented him from carrying out trades. However, I haven't seen anything to suggest that Mr T had attempted to carry out a trade during the restriction period, nor can I see that he enquired about limitations to his trading ability until he contacted Spreadex in January 2025. So I'm satisfied this was the first instance since the restriction that Mr T intended to carry out activity on his account. From his submissions, it seems Mr T's intention was to allow his investment to reach a certain profit level, rather than carrying out new trades – a point which he himself mentions in his initial call with the firm in January. Moreover, as I've already concluded, the application of the restriction was fair, so I'm satisfied there's been no failing here.

Turning to the interactions between Mr T and Spreadex in January 2025, when he contacted the firm about closing his positions down. Mr T says he was clear that he wanted to close all his positions, so the firm has caused him a loss by not allowing him to do so. As our investigator pointed out, it's apparent from the second call that Mr T was asked and decided which positions he wanted to close. He didn't instruct the Spreadex advisor to close all his positions.

Mr T says he felt distressed at the time as he'd already experienced a loss because he couldn't close the relevant positions himself, and some time had passed while he contacted Spreadex and waited for a call back. He adds that he was in a meeting at the time he received the call, so he felt pressured, anxious and under duress. Mr T also claims Spreadex had edited the relevant call recordings. It's not for me to determine how Mr T may have been feeling at the time. I can only reach a finding on whether Spreadex treated him fairly by following his instructions.

Having listened to the call, I'm satisfied there was no indication that Mr T was feeling the way he says he was, nor did anything happen that would suggest it's likely he was under pressure to make a decision. I also can't see that Mr T advised Spreadex of how he was feeling. Had he done so, or had there been a clear indication of distress on Mr T's part, then

I would have reasonably expected Spreadex to provide further support.

I do note that Mr T did express dissatisfaction about the restriction and how it affected his ability to manage his positions. From what I've heard in the call, it seems to me that Mr T was asked by the adviser about the positions he'd like to close, and he seems to have responded with a clear instruction. I've also seen no evidence to suggest the calls have been doctored in any way. So I'm not persuaded there was a failing on the firm's part.

Mr T suggests he hadn't been aware he could close all his positions whilst this complaint was being pursued. And he points out that Spreadex failed to inform him that he could do so. However, in the call I've mentioned above, Mr T was clearly asked about closing all his positions. He'd also closed positions himself online. So I think he reasonably knew that this option was available to him. I appreciate he's been engaging with Spreadex since about the circumstances surrounding his complaint, but I can't see that he was ever advised or prevented from closing his positions.

In summary, I'm satisfied Mr T was reasonably made aware that his account had been restricted. I'm also not persuaded that Mr T wanted Spreadex to close all his positions during his interaction with the firm in January 2025. Moreover, I don't find it plausible that Mr T was unaware he could close all his positions at any time. For these reasons, it is my decision that Spreadex hasn't acted unfairly, nor do I find that the firm is liable for the losses Mr T says it caused him.

My final decision

For the reasons explained above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 16 February 2026.

Abdul Ali
Ombudsman