

The complaint

Mr N complains that Interactive Investor Services Limited ('II') failed to provide clear, fair, and sufficiently prominent information about foreign exchange ('FX') fees when purchasing shares in non-UK currency.

What happened

Mr N had several accounts with II. This complaint relates to USD denominated shares he purchased through a Trading Account with II.

He says that he is aware II have a £3.99 trading fee to purchase stocks and shares. However, he says nowhere did it clearly explain there would be a 1.5% FX fee because he was trading in non-UK currency (US Dollars).

Mr N says he would not have placed his trade had he known about the 1.5% fee. He says he also faces paying the 1.5% fee again when selling these shares, which he also feels is unfair.

Mr N says the information about this fee is buried in a PDF document that is amended frequently, and customers aren't updated when changes are made to these terms. So, he says there was no real way of knowing this fee would be applied until after a trade has taken place. He says he is frustrated by this and has decided to move all his portfolio out of the II platform because of what's happened.

Mr N formally complained to II and the business responded. II didn't uphold Mr N's complaint.

II's final response explained that the 1.5% FX fee for currency conversion is based on the bid/offer exchange rate at the time of execution. And information about this is available on the business' website. Furthermore, II explains that when placing a trade on its platform customers are shown a preview of the trade, so customers can see what fees apply. The FX fee would have been listed for Mr N's trade. In addition, information about charges is available within the Contract Notes located on the client account. As such, II cannot agree the business has failed to be transparent about the charges that apply when it comes to including FX fees.

Mr N was unhappy with this response to his complaint, so he escalated the matter to our service.

An investigator looked into Mr N's complaint and found that II had acted fairly and reasonably in terms of the information provided about the FX fee. He says terms and conditions, which Mr N would have agreed to when setting up the account, talks about fee charges within the section titled "Our Charges" and details what will apply when investing on an international basis, including FX fees. Furthermore, when Mr N selected his options, he was able to "preview" what fees would apply pre-trade, and this information included: quantity of shares, indicative price of the shares, estimated total cost, the settlement in US dollars, the indicative FX rate, the settlement date, the account the trade was placed in, and

the estimated commission. As such, our investigator found that II had been transparent in respect of all changes that would apply. So, he couldn't agree that fee information had been misleading.

Mr N was unhappy with our investigator's findings. He says that the FX fee is not as clearly displayed alongside the dealing commission fee (of £3.99) when the trade preview screen is displayed. And that embedding the FX fee within "an indicative exchange rate" is what is misleading. He says the FX fee only becomes fully transparent after execution via the Contract Note, at which point the trade had already completed. There is then no option to reverse without further cost. He says the pre-trade information is not as clear as II is making it out to be, and replicating the trade on the platform again shows limited information about the actual FX fee. He maintains that as a client he wasn't given sufficient charging information to be able to make an informed decision.

Our investigator was not persuaded to change his mind. And as no resolution could be agreed the case was escalated to an Ombudsman for a final 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.

I have summarised this complaint and what has happened linking back to the crux of what Mr N says went wrong. The purpose of my decision isn't to address every single point raised by all of the parties involved. If there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied that I don't need to comment on every individual argument to be able to reach what I think is the right outcome. No discourtesy is intended by this; our rules allow me to do this, and it simply reflects the informal nature of our service. Instead, I will focus on what I find to be the key issues and evidence relevant to this complaint.

Having carefully considered this complaint and all the evidence provided, including the investigator's view shared in December 2025 and January 2026, as well as the comments received from Mr N rejecting this view; I agree with the conclusions reached by my investigator colleague. This is that II's charging information in relation to the FX charges is clear, fair, and not misleading. As such, I won't be upholding this complaint or recommending a remedy. I will outline how I have reached my decision.

Mr N has provided screenshots of his Trading Account of what information is displayed when he attempts to purchase USD denominated stock. These screenshots don't show the actual cost of the FX charge. Under the heading "FX Rate" the image provided says "Refer to contract note" for more information about this fee. Mr N says that, had figures been quoted here in a transparent way as to what the FX fee would have been (like is detailed for the commission fee) then he wouldn't have traded knowing a 1.5% rate would apply.

However, I have seen evidence from II that more detailed information about the FX charges were available by clicking on other information displayed during the trade process. And had Mr N done this, he would have viewed information about the transaction costs associated with his trade, before it was executed.

II has also provided screenshots of what information is displayed to a customer during the online journey. This shows that when commencing a trade the customer must first search for their intended investment before selecting "Place an order" and being presented with the dealing options. Mr N would have then needed to select the settlement currency, because Trading Accounts can hold multiple currencies. Mr N would have selected GBP for his chosen US dollar denominated security. He then had the option to "Preview" with populated

pre-trade information associated with his trade. This included the “indicative FX rate” detailing the transaction costs associated with executing this trade. It says that Mr N would have chosen to accept this indicative rate to place the trade he did. And as II’s charges are available on its website (including its FX charges) with links provided to customers on its platform, the business does not agree that it has failed to provide clear and accurate information about its charges.

I do not know whether Mr N reviewed all of this fee information at the point he made his trade. However, having followed this journey, I can see how charging information is available to customers to help inform their decision prior to executing a trade. Mr N says that information isn’t clear or fair, and that this goes against the Consumer Duty. However, I disagree with Mr N’s view. When it comes to product pricing, the regulator sets out good practice for businesses to adopt to enhance the clarity of communications. This includes “layering” where key information is provided upfront with cross-references or links to further details. I’m satisfied that II did provide relevant links and references to where information about charges could be viewed should a customer wish to do so. And as an execution-only client (who was not being advised) Mr N needed to ensure himself that he was satisfied with the execution he was placing before he did so.

I have reviewed the charging information available to execution-only clients of II. This details the FX rates and the margin rate that applies based on the transaction value. All of Mr N’s trades that I have seen for US dominated stock were between £0 - £24,999.99, so the 1.5% FX rate would apply.

It is therefore my view that sufficient charging information was available to Mr N. I don’t agree that he was misled in relation to what he would pay. Mr N could have reviewed, cross-referenced, or queried charges at any time prior to executing his trade to decide whether to proceed with the transaction. And having checked what information was available, I’m satisfied II applied the right charges as per the terms outlined for the Trading Account Mr N has with the business.

My final decision

I do not uphold Mr N’s complaint. As such, I do not direct any remedy.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr N to accept or reject my decision before 29 April 2026.

Emily Bowyer
Ombudsman