

complaint

Mr F complains TD Direct Investing (Europe) Limited misled him about what he would have to pay when he moved his account.

background

Mr F moved his trading account from another broker to TD. He says TD didn't tell him it would charge him if he didn't use the account. TD didn't close Mr F's account as soon as it should've done, and refunded some of its charges. It also offered to pay £50 for the upset caused.

Our adjudicator thought this was fair, but he didn't think TD should do anything else. Mr F accepted the account's terms and conditions when he moved, including charges. The adjudicator thought TD's information about the charges was clear enough for Mr F to know he would have to pay even if he didn't use the account. The charge was also on Mr F's statements which were emailed to him.

Mr F didn't agree with the adjudicator. He said there shouldn't be a charge for the sort of account he had. And he didn't think TD's information was clear enough.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in this complaint.

I've thought about the information Mr F was given when he moved his account. The covering letter only talks about charges for trading, and doesn't specifically talk about the charge for accounts that aren't used. But it does point customers to a link to other charges, which I think is reasonable. The charges document is clear, and the charge in question isn't hidden in small print.

Mr F says the information he was given wasn't clear enough. But from what I've seen, I think it was clear enough to make him aware of the charge when he moved his account.

The charge was also shown on Mr F's statements. I understand why he didn't check these, but TD had only agreed to keep the same trading charges for one year. So I think it would've been reasonable for Mr F to check his statements even if there wasn't much activity on his account.

Mr F says there shouldn't be a charge on his sort of account if it isn't used. But his sort of account simply means the broker doesn't give advice about what is bought and sold. It doesn't mean the broker can't charge if the account isn't used. Maintaining an account involves work for TD. For example it will have to send out periodic statements and collect dividends. I think it's reasonable for TD to charge for this.

TD has refunded charges made after Mr F asked for the account to be closed, and has offered to pay £50. I think that's fair, but I don't think TD should do anything else.

my final decision

My decision is that TD Direct Investing (Europe) Limited should pay £50 to Mr F.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr F to accept or reject my decision before 5 November 2015.

Caroline Stirling
ombudsman