

complaint

Mr W's complaint is about how IG Index Limited handled losses on his account. He says:

- IG offers too much leverage
- it's not clear how IG decides to close positions or how it deals with negative balances, and
- IG has aggressively chased his negative balance, instead of forgiving it.

background

Mr W held foreign exchange positions that were closed at a loss. At the time, there was market volatility from the Greek national debt crisis.

One of our adjudicators looked at the complaint. He said:

- Mr W's stop losses weren't guaranteed, so there was the potential for his positions to lose more than he wanted
- Mr W ought to have been aware his positions were vulnerable to the market 'gapping' from IG's risk notice
- IG acted reasonably by closing Mr W's positions because the cash balance of his account didn't cover his running losses or margin requirements
- it was up to Mr W to manage the leverage on his account
- Mr W is responsible for the negative balance on his account
- IG is entitled to pursue the debt and its approach to doing so was reasonable.

Mr W disagrees. He says:

- IG's customer agreement doesn't protect its clients' interests
- other foreign exchange brokers have forgiven clients' debts
- IG shouldn't chase him for the debt whilst the complaint is ongoing

my findings

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 agree with the adjudicator and the reasons he gave.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr W either to accept or reject my decision before 11 January 2016.

Philip Roberts
ombudsman

