

## **complaint**

Mrs Y complains that Interactive Investor Trading Limited (IIT) did not execute a trade instruction on time. Her complaint is brought on her behalf by her son, whom I shall refer to as “Mr Z”.

## **background**

In July 2012 Mrs Y placed an order with IIT to buy units in a fund. She placed the order at 11.12am. IIT did not execute the trade until the next day.

Mrs Y complained to IIT about the delay in execution, saying that it had breached its terms and conditions.

In its final response to the complaint, IIT said that its terms and conditions did not give a cut-off time for instructions for trades to be executed the same day – rather, they said that instructions would be carried out “as soon as reasonably practicable (taking into account trading periods and other factors)”. IIT said orders placed before 11.15 were normally executed the same day, but in this case a system error caused a delay. By the time the trade was executed, the unit price had fallen - so the delay benefited Mrs Y.

When IIT replied to Mrs Y’s initial complaint, it did not log the matter as a complaint and did not give her a complaint reference number when she asked for one. IIT acknowledged that it had not handled her complaint properly and it apologised.

Mrs Y was unhappy with IIT’s response and referred the complaint to this service. Since then IIT has offered £50 compensation for not meeting its own standards in handling the complaint.

Our adjudicator said she considered IIT’s offer of compensation was fair and reasonable in the circumstances. She also said:

- She was satisfied that the delay in execution was due to an isolated error.
- Mrs Y did not suffer a loss and in fact financially benefited from it.
- IIT did not breach its terms and conditions, which had been in place since October 2011.

Mrs Y did not agree with the adjudicator’s conclusions and did not think IIT’s offer was enough to settle the complaint. On her behalf, Mr Z said, among other things:

- The old terms and conditions (in place before October 2011) could still be found on the web.
- The current terms and conditions are clearly unfair because they do not give a guaranteed cut-off time for receiving orders.
- He could provide evidence of many other orders to IIT which were successful, despite being timed similarly to the one in this complaint.

- The failure was not an isolated one, because Mrs Y had experienced previous instances of the same kind with IIT.

### **my findings**

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

It is common ground that Mrs Y suffered no financial loss.

It is also agreed by all parties that IIT's terms and conditions at the time of the transaction did not specify a guaranteed cut-off time for orders to be executed the same day. I note that Mrs Y accepted those terms and conditions in October 2011. It makes no difference that Mr Z can still locate the previous terms and conditions on the web. They were not the terms and conditions that were in force at the time of Mrs Y's instruction, and were not shown as such.

Since Mrs Y suffered no financial loss, I do not need to examine the fairness of the contract terms because they are not material to the outcome of this complaint. Nor do I consider that Mrs Y's previous experience of trades with IIT is relevant to the outcome of the complaint.

IIT has apologised for not handling Mrs Y's complaint well. I consider that its offer of £50 compensation is fair and reasonable.

### **my final decision**

My final decision is that IIT has made a fair and reasonable offer to settle this complaint. It is up to Mrs Y to decide whether she wishes to accept it.

Colin Brown  
**ombudsman**