

## The complaint

Miss D complains that eToro (UK) Ltd ('eToro') opened a trading account for her without her knowledge or consent and transferred her assets to that account.

## What happened

Miss D said that in January 2018 she opened a trading account provided by eToro. The account could be used to buy a variety of securities, including cryptocurrency.

On 4 January 2018 Miss D transferred £600 to eToro. She said she did that by buying a particular cryptocurrency and selecting her preferred payment option. She received a confirmation email from the payment service provider to say the payment had gone through.

Miss D told us that after making the purchase she didn't look at the account for a few years because the purchase was a long-term investment. She also said this was because she worked in trading so she didn't need to monitor her eToro account to know about market moves, and she also experienced some serious health problems.

Miss D said that in May 2021, while she was unwell, she wanted to check the value of her cryptocurrency. She said due to her health problems she couldn't remember the password for her eToro account so she requested and received a password reset link to her usual email address. But when she logged in using her usual email address she didn't see any cryptocurrency in the eToro account that was linked to that email address.

Miss D told eToro she'd bought cryptocurrency for £600 on 4 January 2018 and she wanted to know where it was. She provided a reference number for the transaction. And she attached the confirmation from the payment service provider that she'd paid £600 to eToro on 4 January 2018.

eToro told Miss D she'd deposited the £600 into a different account which belonged to her but had a different username. It said she'd used the funds to make trades in that account but hadn't logged into the account since 10 January 2018. eToro told Miss D the reference number for the deposit of funds. It was the same number Miss D had provided when she contacted eToro.

Miss D complained to eToro that she'd never opened the other account it now mentioned. She said eToro had done it without her knowledge and using an email address that didn't exist. She also complained that she couldn't see the cryptocurrency she'd bought.

eToro said it understood Miss D's complaint to be that she couldn't see the funds she'd deposited in her account. eToro said:

- The account Miss D opened on 4 January 2018 with the email address she said was her usual email address had no funds deposited and no open trades, and the verification process had never been completed for that account.
- The other account in Miss D's name had been opened on 3 January 2018. It used an

email address which was the same as Miss D's usual email address except that it ended in '.com' instead of '.co.uk'. A deposit of £600 was made to this account via a payment service using Miss D's usual email address.

eToro offered Miss D a variety of ways to resolve the situation so she could access her funds and continue trading with eToro using her preferred email address.

Miss D wasn't satisfied so she referred her complaint to this service. She said eToro had wrongly set up an account in her name.

Miss D also complained to this service that the cryptocurrency eToro held for her was not the same cryptocurrency she'd bought in 2018.

eToro provided this service with account statements for Miss D's accounts and screenshots from its Back Office system for those accounts. These documents showed that:

- The account connected to Miss D's usual email address was opened on 4 January 2018 and had not been funded. Miss D's address and date of birth were not recorded on the account. Miss D had logged in to the account in 2021.
- The account connected with the other email address had been opened on 3 January 2018. It had received a deposit of £600 on 4 January 2018 and the deposited funds had been used to purchase cryptocurrency. The information held on the account included Miss D's address and date of birth. The last login date on the account was 10 January 2018.
- The accounts were registered using the same IP address.

Whether Miss D's complaint is one this service can look at under our jurisdiction has already been considered by an Ombudsman. That Ombudsman said Miss D's complaint was about the way her accounts were opened. The accounts were trading accounts which could be used to trade regulated investments as well as cryptocurrencies. So the provision of the accounts was a regulated activity and Miss D's complaint about the provision of the accounts was within the jurisdiction of this service. It's on this basis I'm satisfied I can make a determination on Miss D's complaint about the provision of her accounts.

On the other hand, the provision of cryptocurrency trading is not a regulated activity and complaints about that are outside the jurisdiction of this service. So I won't be making a finding about eToro's actions in relation to the cryptocurrency trade Miss D said she made in her eToro account.

One of our Investigators looked into the merits of Miss D's complaint about the provision of her trading accounts. He noted that Miss D had said she had evidence that clearly supported her complaint but that she hadn't provided it. So the Investigator formed a view on Miss D's complaint based on the evidence he'd been able to gather. And he considered what was most likely to have happened, on the balance of probabilities. In summary the Investigator said eToro had provided evidence showing the two accounts were more likely than not created by Miss D, even if one of those was created in error by her. So the Investigator didn't think eToro had done anything wrong.

Miss D didn't agree with the Investigator's view. In summary she said she was waiting for a response from the Information Commissioner's Office about a data subject access request she made to eToro. She said until that was resolved she couldn't add anything further. Miss D later made a further submission of documents including the following:

- A welcome email from eToro addressed to her usual email address and dated 4 January 2018 at 12.22pm.
- A receipt from a payment services provider showing payment of £600 from Miss D to eToro at 12.26 on 4 January 2018.
- A message dated 4 January 2018 from eToro to its users about problems accessing its platform for two hours on 3 January 2018.
- Various emails between Miss D and eToro from 2021 about Miss D's accounts.

Because no agreement could be reached, the complaint was passed to me to review afresh and make a 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.

Having done so, I'm not upholding the complaint. I'll explain why.

The purpose of this decision is to set out my findings on what's fair and reasonable, and explain my reasons for reaching those findings, not to offer a point-by-point response to every submission made by the parties to the complaint. And so, while I've considered all the submissions by both parties, I've focussed here on the points I believe to be key to my decision on what's fair and reasonable in the circumstances.

This complaint revolves around a dispute of facts. In circumstances where there is no definitive evidence in support of either party to a complaint, I take into account in reaching my decision the balance of probabilities – in other words, what I consider is most likely to have happened in the circumstances as set out.

Miss D is adamant she created only one of the two accounts eToro has for her and that eToro opened the other account in error. But eToro believes it's done nothing wrong and that both accounts were opened by Miss D. eToro's provided evidence from its systems which suggests both accounts were created by Miss D. Both were set up under the same IP address. Miss D has said she doesn't recognise and wouldn't have used the username or the email address connected with the disputed account. But Miss D hasn't been able to provide any evidence showing she didn't open the account, for example evidence indicating that when she deposited funds and purchased cryptocurrency it was the other account she used for that. So, upon weighing up the evidence, I can't conclude on balance that eToro opened the disputed account for Miss D in error without her knowledge or consent.

I've taken into account that there's been very little activity on the disputed account. And the last login was 10 January 2018 which was about a week after the account was opened. The fact that the owner of the account didn't log in for a number of years aligns with Miss D's evidence to this service that her intention was to purchase cryptocurrency as a long-term investment which she didn't intend to monitor frequently. It doesn't suggest to me that the account was opened for any other purpose, either by eToro or a third party.

I accept Miss D believes she never opened the disputed account. And I know it's possible the account was opened by accident or in error. But on the basis of the available information I can't conclude that an error was made by eToro. The fact eToro's customers had trouble accessing its platform for a time doesn't persuade me that eToro erroneously opened an account for Miss D using incorrect details.

I've thought about whether any further evidence might be forthcoming based on Miss D having requested documents from eToro. I think on balance that it's unlikely. eToro has provided records from its systems, and they don't suggest to me that any error was made by eToro.

It's important to note that I can't see that Miss D has suffered any financial loss as a result of the disputed account having been opened. On Miss D's behalf eToro has retained the assets it believes she purchased in 2018 and has given her access to them. As I've said, there's no evidence of third-party interference in the account. So even if I thought eToro had opened the disputed account in error I wouldn't be looking to require eToro to compensate Miss D for any financial loss. I note, again, that I'm not making a finding about the cryptocurrency trade Miss D said she made.

I hope Miss D will understand the reasons I've made this decision. I understand she was surprised to see a second account in her name and to find that the assets eToro was holding for her were in that second account. But I'm not convinced eToro has done anything wrong here. So I won't be asking it to do anything on this occasion.

### **My final decision**

For the reasons I've set out above, my final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 19 June 2024.

Lucinda Puls  
**Ombudsman**