

## **The complaint**

Mr C complained that eToro (UK) Ltd ('eToro') failed to respond to his queries and prevented him using his eToro account.

## **What happened**

Mr C had a trading account provided by eToro. He opened the account in October 2017 by providing his address. He didn't verify any of his details at that point. And he didn't deposit any funds into the account.

In May 2022 Mr C verified his phone number on his eToro account. He didn't deposit any funds.

On 6 January 2023 Mr C spoke to an account manager for eToro by telephone. Amongst other things he asked whether he could transfer cryptocurrency to his eToro account. He said he'd been trading cryptocurrency but was concerned about the technical aspects of that and he was concerned he might lose money if he made a mistake. He asked if eToro could sit with him and help him get access to the cryptocurrency he held on a third-party platform which he'd been unable to withdraw.

Mr C also asked if eToro could help him with investment strategy. eToro said it couldn't give financial advice. And Mr C asked how he could deposit money to eToro. eToro described to him how to deposit funds through his account. Mr C logged into his account while eToro explained how to use the account to deposit funds.

Mr C asked whether eToro could execute trades for him by phone. eToro said it didn't offer telephone dealing – trades had to be done on eToro's online platform. Mr C said he'd need to learn to trade online. He asked various questions about how he could do that and how he should go about learning and using eToro's academy.

On 9 January 2023 Mr C verified his account by providing proof of address and proof of identity.

On 13 January 2023 the account manager for eToro emailed Mr C saying he'd tried to call Mr C and couldn't get through. He asked whether there was anything he could help with.

On 13 January 2023 Mr C spoke to the account manager and asked about various investment options and what insurance cover eToro held.

On 17 January 2023 the account manager spoke to Mr C by telephone. Mr C asked various questions including about what stocks eToro had researched. Mr C mentioned he wanted help withdrawing the cryptocurrency he held on a different platform. He said he didn't have the technical skills to do it. The account manager said he wouldn't be able to help with matters that weren't related to eToro. Mr C asked whether the account manager might know someone else who could help. eToro suggested Mr C seek support from the platform holding the cryptocurrency. Mr C said the platform was helpful and he had written instructions for

withdrawing the cryptocurrency but he didn't understand the instructions. Mr C said it was complicated and he'd need help.

On 17 January 2023 the account manager emailed Mr C saying it was great speaking to him that day and sending him some information about potential investments.

Mr C said that in September 2023 he sent an email to the account manager. He said his email said he was receiving 300,000 dollars which he wanted to invest with eToro and receive interest on. But he said he got no reply. He said he continued trying to contact eToro for a couple of weeks, telephoning every second day. And then he started sending emails. He said he couldn't get through by phone because the phone number blocked him. Mr C said this situation continued for three months. And he was unable to get anywhere in that time. He said he wasted more than seven hours trying unsuccessfully to contact eToro.

In December 2024 Mr C complained to this service about the lack of response from eToro. He said the impact on him had been that he suffered from physical pain and had missed out on earnings from working because of the time he spent trying to contact eToro.

Because this service couldn't see any evidence Mr C had complained to eToro, we referred his complaint to eToro.

On 6 February 2024 eToro discussed Mr C's complaint with him by phone. It told Mr C eToro didn't provide a telephone service and that, in general, to contact eToro Mr C would need to raise an e-ticket or use eToro's live chat service online. Mr C said he didn't know how that worked. He requested instructions in writing. Mr C said he'd sent '*hundreds and hundreds*' of emails. eToro said it hadn't received them. Mr C said if eToro wanted him to deposit USD 400,000 then it needed to be better. eToro said it would look into his complaint and get back to him and it would send him an email with the details he needed to know how to use eToro's online chat function. Mr C asked eToro to wait on the phone while he checked whether he could log into his account. He asked eToro what rate of interest it offered on US dollars. Mr C also said he couldn't find the chat button on eToro's platform. eToro described where to find it while Mr C was logged in to his account.

Because Mr C appeared to have sent emails to invalid email addresses, eToro asked him questions about whether he'd been scammed. Mr C said he hadn't been scammed. He confirmed he hadn't been contacted by any third parties claiming to represent eToro.

eToro didn't uphold Mr C's complaint because it didn't think it received any communications from Mr C that it had failed to respond to. And on 14 February 2024 eToro wrote to Mr C saying it had decided to close his account because it had identified him as a vulnerable customer, it was concerned about his ability to manage the account, and it thought trading with eToro would not be in Mr C's best interests. eToro went on to explain as follows:

*'In regards to your declared circumstances, you may be more likely to experience detrimental outcomes which - in the event they materialise - could be greater than if such characteristics/circumstances were not present. Consequently (and in accordance with 26.4(a) of our customer terms and conditions) we are taking the prudent decision to close your account.'*

*'We understand this may not be the outcome you had hoped for, but we have made this decision in your best interests. Whilst we strive to provide an excellent experience for our clients, not all platforms are suitable for all investors.'*

*'We would like to wish you the best in your future endeavors.'*

One of our Investigators looked into Mr C's complaint. He said he was sorry to know of the difficulties Mr C had experienced. But he didn't think eToro had done anything wrong. He said he hadn't seen any evidence eToro had failed to respond to Mr C's queries. He said that wasn't to say the investigator disbelieved Mr C – but only that there was no evidence in support of what Mr C said. The investigator said the email address to which Mr C had sent an email didn't appear to be a valid eToro email address. And eToro's contact history didn't show any record of receiving any correspondence from Mr C during the period in question.

The investigator also said it wasn't unfair or unreasonable that eToro restricted and then closed Mr C's account. That was because Mr C had said that even though he had instructions about how to trade online, he didn't understand them and felt they were very complicated. So the investigator thought it was in Mr C's best interests that the account was closed. The investigator said he took into account that Mr C was a vulnerable customer.

Mr C didn't agree with the investigator's view. In summary he said the investigator had said Mr C hadn't made his complaint to eToro before approaching this service but he had raised a complaint and when eToro called him to discuss it, it did so outside the required timeframe under complaint handling rules. He also described the impact he felt he'd suffered. He set out a range of impacts that would generally affect a person whose bank account had been closed, such as losing access to money and having to reorganise direct debits.

Because no agreement could be reached, this 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.

The available evidence of correspondence between Mr C and eToro doesn't include any evidence that, during the period from September 2023, Mr C emailed eToro but didn't receive a response. I've seen that Mr C had been in contact with eToro's account manager in January 2023. But Mr C has said it was from September 2023 that eToro failed to respond to him. He provided some emails as evidence of this. But those emails appear to have been sent to addresses that weren't valid eToro addresses. So I must conclude that eToro didn't receive those emails. And so it wouldn't be fair to say eToro failed to respond to them.

I know Mr C has said he sent many emails to eToro in the relevant period. But he hasn't provided copies of any emails that were sent to valid email addresses, even after our investigator told him he appeared to have used wrong addresses in the emails he provided as evidence to this service. So, on the balance of probabilities, I find it unlikely that in the relevant period eToro received emails from Mr C but failed to respond to them.

The available evidence also doesn't include any record of Mr C having attempted but having been unable to speak to eToro by telephone. Like our investigator, I don't mean to say that I disbelieve what Mr C has said about this. But without any evidence it's difficult for me to say eToro has done something wrong here.

I also can't say it was unfair or unreasonable for eToro to close Mr C's account in light of the comments he made to eToro. eToro appears to have made an appropriate assessment of Mr C's circumstances and ultimately to have taken a decision with his interests in mind. Based on the communication between Mr C and eToro, I think it's reasonable eToro concluded Mr C would've had found it difficult to use eToro's services. eToro's terms and conditions say it provides an online trading platform. Its online platform is central to its business model. And it offers trading in some particularly complex and high-risk products which put its customers at risk of losing large amounts of money. Given what Mr C told eToro about his capability to trade online and the services he sought – which included help withdrawing an investment from a third-party platform and being paid interest on a deposit – it was reasonable for eToro to decide its services weren't a good fit for Mr C. Mr C himself said he didn't understand online trading, and he worried he might lose money if he made a mistake while trading online. And I think it was reasonable for eToro to be concerned that Mr C might be susceptible to scams given that he'd sent emails to invalid addresses for eToro.

I appreciate the detail Mr C set out to describe the impact he feels he's suffered as a result of his dealings with eToro. However, if I haven't found that eToro has done anything wrong, then I can't hold it responsible for any impact Mr C has suffered.

Also, the impact Mr C has described is the impact he might have suffered if a bank account he'd been using was closed down against his wishes. That's not what happened here. The account eToro closed was an online trading account. And Mr C didn't deposit any money in the account. So the impact he described couldn't have been caused by the closure of his eToro account, or by eToro having failed to respond to contact from him.

Overall, I understand Mr C has been very frustrated by his dealings with eToro. And I sympathise with that. But I can't say eToro has done anything wrong. So I won't be requiring eToro to do anything.

### **My final decision**

For the reasons I've set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 January 2025.

Lucinda Puls  
**Ombudsman**