

The complaint

Mr M is unhappy with the service provided by Link Market Services Trustees Limited (LMST) when dealing with his share transfer.

What happened

Mr M had purchased shares through his employee share save scheme. Company L was the registrar for Mr M's shares. On 31 August 2021 Mr M's shares were transferred by company L to LMST. LMST held these shares as a nominee on behalf on Mr M.

In September 2021 Mr M contacted LMST asking about transferring his shares. During this call Mr M was told that he'd receive a nominee transfer form, which would allow him to transfer his shares to '*any other individual*'.

Mr M received a nominee transfer form but it wasn't the one he needed. Mr M wanted to transfer his shares to his broker (broker H) and so needed a different nominee transfer form. Mr M called LMST to explain what had happened. Mr M was told to contact broker H to start the share transfer process. Mr M did this, but broker H told Mr M to contact LMST as it couldn't start the share transfer process without instruction from LMST. During this further call to LMST Mr M was transferred to the employee shares transfer team.

The representative in the employee shares transfer team told Mr M that he'd already been sent a nominee transfer form. Mr M explained '*The nominee form you have sent me is for gifting*'. Mr M explained he wanted to transfer his shares to broker H. It was agreed that Mr M would be sent the correct nominee transfer form.

Mr M's completed nominee transfer form with details for broker H was received by LMST on 7 October. The following day LMST contacted broker H to arrange a trade and settlement date. This was chased on 15 October. Broker H responded on 19 October and the transfer of Mr M's shares was successfully completed on 22 October.

Mr M complained to LMST about the delay in sending him the correct nominee transfer form. Mr M said he'd lost out on the opportunity to sell his shares at a high price because of the issue with sending him the correct nominee transfer form. LMST said it had acted correctly and didn't offer Mr M anything in settlement of his complaint.

Mr M was unhappy with this response, and brought the complaint to the Financial Ombudsman Service.

The investigator found that LMST could've done more to deal with Mr M's share transfer request properly. The investigator recommended LMST pay Mr M £100 in recognition of the incorrect information provided about contacting broker H, and the inconvenience caused to Mr M because of this.

LMST accepted these findings. Mr M disagreed saying he has been trying to transfer his shares to broker H since January 2021 and LMST hasn't dealt with his requests properly. As the complaint couldn't be resolved, it has been passed to me for 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.

I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that's happened or been argued is set out above, I've read and considered everything that has been provided.

Mr M is frustrated that he had been trying to transfer his shares to broker H since January 2021, and LMST continually caused delay in this happening. Mr M has been informed that the scope of this complaint will only consider the actions of LMST from 31 August 2021. This is the date LMST received Mr M's shares.

It's not disputed that LMST could've handled things better following Mr M's request to transfer his shares in September 2021. During the initial call I think the call handler could've asked Mr M who he was intending to transfer his shares to, so that the correct nominee transfer form could be sent. But I'm also mindful that Mr M didn't specify that he wanted to transfer his shares to a broker. I can appreciate the frustration caused to Mr M when he received the incorrect nominee transfer form.

When Mr M called LMST to ask what he'd need to do to transfer his shares to broker H, the first representative told him that he'd need to contact broker H directly to start the share transfer process. This information wasn't correct. Although the representative may have believed this process to be what usually happens, the representative ought to have asked Mr M for more details about the type of shares he was looking to transfer in order to direct him to the correct team for further information about what he'd need to do.

I think Mr M was caused unnecessary inconvenience in contacting broker H, only to be told that he'd need to contact LMST again. Even when Mr M contacted LMST a second time, the representative initially told Mr M that he'd already received a nominee transfer form. Mr M had to inform the representative that the nominee transfer form that had been sent wasn't the correct one. This would've caused more upset to Mr M.

I've considered the actions taken by LMST once it received the correct nominee transfer form from Mr M. The timescales in which LMST progressed the transfer of Mr M's shares were reasonable and in line with what we'd expect. LMST contacted broker H the day after receiving Mr M's nominee transfer form. As broker H didn't respond, LMST chased broker H, and once a suitable trade and settlement date had been agreed, the transfer of Mr M's shares was successfully completed.

Mr M has commented on the financial loss incurred by him because of LMST holding onto his shares for longer than it should've. But Mr M could've asked LMST for information about selling his shares if it was his intention to do this. I haven't seen any evidence of Mr M asking LMST for this information, and so I can't say that LMST is responsible for any losses incurred by Mr M in not selling his shares when he wanted to.

I do think LMST could've done more to assist Mr M with the transfer of his shares to broker H. It could've done this by asking for clarity on who Mr M was intending on transferring his shares to, and providing correct information about the process for getting Mr M's shares transferred. Because it didn't do this, Mr M was caused unnecessary upset and inconvenience when clarifying to the call representative that the first nominee transfer form sent by LMST wasn't the right one, and contacting broker H following instruction from LMST, only to be referred back to LMST.

The investigator recommended £100 in recognition of LMST not handling the share transfer as efficiently as it could've, and the impact on Mr M because of this. I think this amount is reasonable and reflects the upset caused to Mr M that could otherwise have been avoided.

Putting things right

Link Market Services Trustees Limited must pay £100 to Mr M.

My final decision

For the reasons provided I uphold this complaint.

Link Market Services Trustees Limited must follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 31 May 2023.

Neeta Karelia
Ombudsman