

## **The complaint**

Mr G has complained about the service received from Interactive Investor Services Limited ("Interactive"). He says he attempted to sell his shares in Company A and couldn't, due to an error from Interactive. He says it has admitted it was at fault, but it hasn't gone far enough with how it has compensated him for this.

## **What happened**

Mr G has bought and sold shares using Interactive's services including using an online platform. On 12 November 2021 Mr G tried to sell shares in Company A online but was unable to. He said he contacted Interactive and was told by a representative that he was unable to sell the shares as a corporate action had not been settled relating to the company in question. Mr G said he was, on the same day, sent a secure message giving him a formal complaint reference number.

Mr G said on 16 November 2021 he received a message from Interactive offering to sell his shares at the screen price on that day, but he said he didn't want to as he wished to sell them for the price that was given on 12 November 2021. On 23 November 2021 he said interactive offered to sell the shares for him again, but he was of the same opinion: that he should have been able to sell the shares for the price on the day he wanted to sell the shares on 12 November 2021.

Mr G said he was told over the phone on several occasions that the shares were subject to his complaint and should not be sold whilst it was being investigated.

Interactive responded on 4 January 2022 to Mr G's complaint about not being able to sell Company A shares and upheld it. It said its representative gave incorrect information, and Mr G would've been able to sell the shares on 12 November 2021. It offered to pay Mr G the profit he would've made on the shares if he had sold them on the day he wanted to. The profit amounted to around £1120.

Mr G was not happy with Interactive's response or offer to put things right though. He said that since he has complained, the Company A share price has gone down, and he has made a significant loss. He thinks Interactive should pay him the difference in the amount that he has lost. He says he was told he should keep hold of the shares so its only right Interactive pay compensation for the loss that this has created. Mr G referred his complaint to our service.

An investigator looked into Mr G's complaint about Interactive. He concluded Interactive hadn't gone far enough and should also compensate Mr G for the difference between the price he would have received when he wanted to sell, and the price on 16 November 2021. This being the day Interactive asked Mr G if he wanted it to sell his shares in Company A.

Interactive agreed with the investigator's view. Mr G didn't agree and said Interactive should cover all his losses that he has made on Company A shares that he holds, for the reason already given.

As the parties are not in agreement, Mr G's complaint has been passed to me, an ombudsman, to look into.

### **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.

Interactive has upheld Mr G's complaint and agreed that it should have done more when he called to ask why he couldn't sell his shares in Company A, on 12 November 2021. It said it should have put through Mr G's request and made the trade manually. It said the information given at that time as incorrect. It tried to put things right with Mr G and offer him compensation, this being the profit that Mr G told it he had missed out on by not selling the shares. This came to £1120 and was the difference between what Mr G had bought the shares for and what he could have sold them for if they had been sold at the time and date Mr G wanted them to be sold on 12 November 2021.

Mr G said he was informed over the phone on several occasions that the Company A shares that he held were subject to his complaint and should not be sold whilst it is being investigated. He said he held onto the shares as advised and by doing so, the share price has fallen, and he has been left with a significant loss. He thinks Interactive should make up the loss.

I have not been able to hear any call recordings or seen notes from any calls from 12 November 2021 and 4 January 2022. The latter being the date Interactive concluded its complaint by sending a response and offer of compensation to Mr G. So, I can't be sure what was said between the parties about Mr G's shares and whether it was discussed that he should keep hold of them. But I have been able to read submissions from Mr G where he has said Interactive told him that if he wants it to offer the price of the shares as of 12 November 2021, then he would need to wait until its investigation is complete. This is different advice than Interactive telling Mr G to hold on to his shares. The former statement is simply I think suggesting that Mr G would need to wait until the investigation is complete for Interactive to be able to put things right.

But in any case, I can see that on 16 November 2021 a representative from Interactive did message Mr G and asked him if he wanted him to sell the Company A shares for him. I think at this stage it would have become clear to Mr G that he was able to sell the shares if he wanted to. Mr G has told our service that he didn't want to do this and crystallise his losses at this stage. But this was a decision for Mr G from this date. I think it would've been reasonable for Mr G to consider at this point that he could've sold his shares *and* also complained about the service he received from Interactive on 12 November 2021.

So, because of what I have just concluded, I don't agree with Mr G that Interactive should cover all of his losses, as he was informed on 16 November 2021 that he could sell his shares from this point onwards and had the choice whether or not to do so. But I also don't think Interactive has gone far enough as it has only put things right up to the date Mr G wanted to sell his shares. It needs to compensate Mr G for the period that more likely than not, he wouldn't have been sure whether he could sell them, this being from 12 November 2021 to 16 November 2021 when it first contacted him to say he could.

I'm sorry that the outcome is likely to come as a disappointment to Mr G, as he wanted Interactive to cover all of the losses he has made on his Company A shares. But I don't think it would be fair to ask Interactive to do this, for the reasons I've given above. But I do think it should go further and so for this reason I am upholding Mr G's complaint.

### **Putting things right**

Interactive has paid Mr G £1120. This is the amount Mr G would have made in profit, if he had sold his Company A shares on 12 November 2021 as he had wanted to do. To put things right, in addition to what Interactive has already paid, I think it needs to do the following:

- If the average price of the shares on 16 November 2021 was lower then, pay the difference between the price Mr G would've sold his shares for on 12 November 2021 and an average price that he could've obtained on 16 November 2021 multiplied by the amount of shares he held that day.
- Pay 8% simple interest per year on the total amount calculated from 16 November 2021 to the date of settlement.

### **My final decision**

I uphold Mr G's complaint about Interactive Investor Services Limited and require it to put things right as I have described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 9 February 2023.

Mark Richardson  
**Ombudsman**