

The complaint

The estate of Y complains about the administration of shares by Computershare Investor Services Plc (Computershare).

It says Computershare caused delays to the sale of the shares by putting up unnecessary obstacles and as a result it was caused distress and inconvenience. It also says it was caused financial loss because it had to instruct a solicitors' firm to deal with the sales process and the value of the shares decreased by the time they were sold in May 2022.

The estate also complains about poor customer service and says Computershare didn't act promptly or with compassion which made the process difficult for the estate.

What happened

Mrs Y sadly passed away in November 2020.

On 26 November 2020 Computershare, having been notified of her death, sent a letter and bereavement information pack to one of the executors of the estate.

That letter outlined three options of either holding, transferring, or selling the shares. It explained the steps required to sell the shares and that the sale could only take place once the death had been registered and the relevant documentation had been provided.

In February 2021 Computershare wrote to one of the executors and indicated that it couldn't proceed with the registration without the grant of representation and a certified sales form together with any share certificates if applicable. It then sent a second letter reiterating that it required a grant of representation.

On 31 March 2021 the solicitors' firm acting for the estate sent Computershare a copy of the grant of probate.

On 30 April 2021 Computershare wrote to the solicitors' firm and indicated that it was unable to locate the shareholding from the information that had been provided.

On 18 May 2021 the solicitors' firm provided additional information about the shareholding to Computershare.

On 27 May 2021 Computershare sent an information letter and bereavement pack to the solicitors' firm.

On 11 June 2021 a Deceased Estate Sales Service (DESS) form was received by Computershare, but the share certificates weren't included.

On 21 June 2021 Computershare wrote to the solicitors' and indicated that the shares couldn't be sold until the death had been registered. It referred the firm to its bereavement pack for more guidance on how to do this.

On 10 August 2021 the solicitors' firm re-submitted the DESS form without the share certificates.

On 17 August 2021 Computershare wrote to the solicitors' acting for the estate confirming receipt of documentation on 11 August 2021. It noted the records had been updated with the executor's details and that the documents had been forwarded to "The Share Centre" to be processed.

On 31 August 2021 the solicitors' firm sent the DESS form but without the share certificates indicating that they weren't available.

Computershare then reminded the solicitors' firm that the original share certificates were needed and there was an exchange of correspondence about how the estate could proceed without those.

On 13 September 2021 the solicitors' firm requested a replacement certificate.

On 14 September 2021 Computershare sent the letter of indemnity form to the solicitors' firm to be completed.

On 16 September 2021 the solicitors' sent the indemnity form to Computershare.

On 4 October 2021 Computershare wrote to the solicitors' acting for the estate and explained that in order for it to issue a duplicate share certificate, the indemnity form had to be signed by both executors.

On 15 October 2021 the completed indemnity form was received by Computershare.

On 21 October 2021 a new certificate was produced for the shares.

On 23 November 2021 the solicitors' firm acknowledged receipt of the certificate and requested further clarification with regards to the process of selling the shares.

On 25 November 2021 Computershare responded and explained that the DESS form could be downloaded from its website. It also noted that the dealing service was changing in November 2021 and that it would be transitioning to a new provider.

On 29 November 2021 the Share Centre ceased trading and a new service began. So, the forms issued in November 2020 were no longer valid.

In February and March 2022 there was an exchange of correspondence between the solicitors' firm and Computershare regarding the sale process.

On 31 March 2022 one of the executors contacted Computershare to find out why the sale had not yet taken place. She explained that it had been extremely challenging to complete the process to sell the shares and she felt that all of the information had already been provided to Computershare. The executor also said it was very upsetting that she continued receiving correspondence in respect of the shares which contained her mother's name.

Computershare's representative explained that it had received some of the information and the new share certificate had been issued but it still required a completed DESS sales form. He said that they had to receive that form so that they had an instruction to sell the shares. He noted that a form had previously been provided in August 2021, but he said as that was an old form it was no longer valid. The representative said he would send a copy of the correct form to the solicitors' firm, and to the executor. A form was sent to the solicitors' firm on that day.

On 24 May 2022 the solicitors' firm provided the completed form and documentation to Computershare.

The sale of the shares was completed in May 2022.

The estate then complained to Computershare about how long it had taken to sell the shares given the late Mrs Y had passed away in November 2020.

Computershare didn't uphold the estate's complaint. It said that each time it had received a request for information it had replied, and that it had given the estate information about the process in relation to selling the shares on several occasions.

The estate referred its complaint to our service, and it was considered by our investigator.

Our investigator didn't think that the complaint should be upheld. The investigator noted the time it had taken to administer the sale of the shares and acknowledged that this would have

been frustrating and challenging for the executors of the estate. However, she didn't think that Computershare had acted incorrectly or caused the delay.

The investigator said that Computershare had set out the requirements for the sale of the shares early on in the process and she was satisfied it had acted within the framework of its processes and requirements. She noted that once Computershare had been provided with all the correct information, in May 2022, it had processed the sale of the shares promptly.

The estate disagreed with the investigator's conclusions. In summary it said that the timeframe taken to sell the shares was far too long. It said that Computershare hadn't contacted the estate when there was a problem but instead it had been forced to contact Computershare to find out what was happening.

The estate said it felt that it was being blamed for what had happened and it was being implied that it was incompetent. It pointed out that it had been able to competently carry out all the various processes for the rest of Mrs Y's estate, but it said it had needed to instruct a solicitor to sell the shares because it said Computershare had made this process so difficult.

The estate said it had already provided the DESS sale form, but Computershare had then sent a new form and so it had been made to provide it again.

The estate said it had received poor customer service from Computershare and it had caused delays. It questioned why Computershare hadn't contacted the executors, if the solicitors' firm hadn't provided all the required information.

Computershare confirmed that once it had received correspondence from the solicitors' firm acting on behalf of the executors, then it would communicate with that firm rather than the executors.

As no agreement could be reached the complaint was referred to me for review.

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.

When the late Mrs Y passed away in November 2020, one of the executors of the estate notified Computershare, who then issued her with some information about its process where the holder of the shares is deceased.

That bereavement information pack gave guidelines about registering the death of an individual and the documentation that would be required. The documentation noted that if the estate exceeded the inheritance tax limit, then Computershare would need to be provided with a grant of representation, the form of which would depend on whether there was a valid will.

The letter explained that if the estate was unable to locate some or all of the share certificates then it would need to send a written request for an indemnity.

The information pack also set out a checklist as follows:

"Action Checklist

Please make sure you can tick all the below boxes and return all additional forms if applicable. Please note, due to the volume of correspondence received by this service, we cannot hold onto incomplete submissions. Any incomplete submissions received by The Share Centre will be immediately returned.

Registration

The death has been formally registered with the registrar and you have received written confirmation that the shareholding has been updated.

All sections of this form have been completed, including the fields requesting the deceased's nationality and National Client Identifier (for example National insurance number, please see help sheet for further information).

You have enclosed two forms of identification for each Executor (please refer to the 'Confirming your identity' section below).

All Executors have signed the declaration.

If the shares are held in paper certificate form, a 'Certificated Dealing Sales Instruction' form has been completed for each holding and signed by all Executors. You have enclosed the form(s) and all related certificates."

As the estate has said, it has taken a significant amount of time from notifying Computershare of the death in November 2020, to the shares being sold in May 2022. Having considered the exchange of correspondence and telephone contact in this complaint, I think there were five different issues which delayed matters being progressed, which I will address in turn below.

Grant of representation

I consider that Computershare had to be satisfied that it was taking instructions from those who had authority to act on behalf of the estate of the late Mrs Y. So, I don't think it was unreasonable for it to either require documentary evidence that formally showed that authority, or a declaration that this was a small estate, before it took any actions in respect of the shares.

I am satisfied that the circumstances in which it required a grant of representation were set out clearly in the letter and accompanying information it sent out on 26 November 2020.

I note Computershare also noted in that correspondence:

"Important information

If an original or official copy of the Death Certificate or Grant of Representation has not been submitted already, you will need to do so before we can start to formally register the death. Any mailings it is necessary to send will continue to be addressed to the registered holder until the formal death registration has been completed. For your information, an official copy is one that has been certified by either a solicitor or notary public."

This was reiterated in a letter sent to one of the executors on 17 February 2021 which explained why the registration had not yet been completed. It said:

"We are unable to proceed with your registration and sales instruction at this time due to the following reason(s):

1. We would require a Certificated Sales Form to be completed and returned along with any share certificates (if applicable) which you can download from www.computershare.trade. These do not need to be enclosed for registration purposes but please note that we will not sell any shares until these documents have been received.

2. The Grant of probate or Small Estates Declaration has not been received by Investor Services at Computershare. In order to be eligible for the Deceased Estates Sales Service this step must be completed first. An original or an official copy needs to be sent to:

Computershare Investor Services PLC

Xxxxxxxx"

So, I don't think Computershare acted unreasonably by requiring this legal documentation or that it delayed matters unnecessarily because I think this requirement was set out in the early stages of the process.

Insufficient information provided to identify shareholding

In its letter of 26 November 2020 Computershare said:

"As we act as Registrar for a large number of companies, it is not always possible to conduct a search of the registers based solely on a holder's name. In order to assist us to locate other holdings, please provide us with the name of the company or companies, in which the shares may be held. Alternatively, if you can provide us with a copy of a share certificate/statement, this will greatly assist us in locating any holdings."

So, I am satisfied that it was made clear at the outset that Computershare would require detailed information in order to locate the shares.

I am also satisfied that Computershare informed the estate that it needed further information and it specified the nature of the information it needed to locate the shareholding in its letter of 30 April 2021, where it said:

"Holder identification

We're sorry but we have been unable to positively identify a shareholding from the information you have provided. As we act as Registrar for a large number of companies, it is not possible to conduct a search of the registers based on the information you have provided. To assist us in positively identifying a shareholding, please provide us with the following information:

- *Shareholders full name including any joint holders*
- *Shareholder Reference Number (SRN)*
- *Full address*
- *Previous address details*
- *Name of the company in which the shares are held*
- *Copy of a share certificate or Nominee statement*
- *Copy of a tax voucher*

If you can provide us with this additional information, it will help us to respond to your enquiry."

So, I don't think Computershare acted unfairly in requiring further information and I don't think it delayed matters unnecessarily because it had outlined at the outset that it would need detailed information to locate the shareholding.

Share certificates not provided

I consider that Computershare made it clear that share certificates would need to be provided in the initial information it sent. This was then reiterated in information sent to the solicitors' firm in May 2021.

The share certificate is a part of the evidence demonstrating ownership of particular shares and the number of shares owned. So, I don't consider that was an unnecessary requirement from Computershare because the estate of the deceased was seeking to sell the shares.

I am also satisfied that Computershare set out this requirement clearly on several occasions, so I don't think it caused any unnecessary delay to the process.

The indemnity form wasn't signed by both executors

As the share certificates weren't available the solicitors' firm sent an indemnity form to Computershare in September 2021. Unfortunately, it was only signed by one of the executors, so Computershare wrote to the firm on 4 October 2021 and said:

"Thank you for your recent communication.

To enable us to issue a duplicate certificate, please make sure that the attached indemnity is signed by both executors.

If you would like any more help, please call one of our dedicated customer service representatives on the telephone number shown at the top of this letter."

I think the purpose of asking all the executors to sign the document was to ensure that all those responsible for administering the estate were aware of the request for a duplicate certificate and agreed with that request. So, I don't consider this to be an unreasonable request

The requirement for a new DESS form and the validity of previous forms provided.

I can appreciate that having spent some time going through this process and having already submitted a DESS form, it would have been frustrating for the executors to then be informed that a new form was required. Computershare's representative explained, in a phone call in March 2022, that this was because the old form issued in November 2020 was no longer valid. And Computershare has also explained that "The Share Centre" which issued the old form ceased trading in November 2021.

I have listened carefully to that phone call where one of the executors contacted Computershare to clarify what was happening with the sale of the shares. She explained that as far as she was concerned all the information had already been provided. As I have mentioned, the executor was informed that the sales form that had been previously submitted was an old form, so it was no longer valid.

I can see, from the point of view of the estate, that submitting a new form would have appeared to be repeating a step that it had already taken.

I also note that any delay had a detrimental impact on the executors because they continued to receive correspondence which referred to their deceased relative and that was causing them some distress.

However, I also take into account that the action checklist contained within the initial information explained that Computershare wouldn't hold onto incomplete submissions. That meant that when a form was rejected because something was missing or incomplete, a new form would need to be provided. So, I think once the new share certificate had been issued following receipt of the indemnity form, a new sales form would've been needed in any event. And I note that in its correspondence in November 2021 Computershare directed the estate to where that could be downloaded.

I am also satisfied that new forms were then issued to the solicitors' firm following the phone call in March 2022.

I consider the decision, that part of the business would cease trading, was a commercial decision and not something therefore that falls within my remit here. I am satisfied however, that the correspondence Computershare sent in November 2021 indicated that there were going to be changes to the services it offered.

It wasn't expressly stated in that letter that Computershare required a new form to be completed and I think it would've been helpful if it had set this out more clearly. However, I think this was because it was a fairly generic letter setting out the services it offered.

Having said that, I think that letter gave the estate information as to where the relevant form could be found on the website, and I think if the estate was unsure of what was still required, it could have contacted Computershare and spoken to one of its representatives, as one of

the executors did in March 2022. I think that as Computershare's website gave information about the upcoming changes to its dealing service, and the relevant form, it wouldn't have been too onerous to locate a new up to date form there.

Summary

I appreciate that the estate has been frustrated by the time it has taken for the sale of the late Mrs Y's shares to be administered. I also note that this would have been a distressing and upsetting time for Mrs Y's relatives, particularly when receiving correspondence containing her name.

However, I think that information about what was required for the sale of the shares to take place, was set out by Computershare in the initial stages of the process. In addition, I consider that Computershare did respond to questions raised by the estate throughout the process. It also provided contact details for its customer representative service where further information and assistance could be found.

It is unfortunate that various issues arose during the process where information was incomplete, and those matters halted the progress of the sale.

I note the point raised by the estate questioning whether Computershare should have contacted the executors directly if there were outstanding items required for the sale of the shares. I think it was reasonable for Computershare to communicate directly with the solicitors' firm because the firm was instructed by, and acting on behalf of, the estate.

Overall, I think that Computershare was ultimately acting to ensure that the shares were correctly identified and the instructions it received were legitimate. So, I don't think that it was trying to obstruct or delay the process.

My final decision

My final decision is that I don't uphold the complaint brought by the estate of Y against Computershare Investor Services Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Y to accept or reject my decision before 29 August 2023.

Julia Chittenden
Ombudsman