

The complaint

Mr T complains about Interactive Investor Services Limited (II). He's unhappy that he is unable to sell assets they hold on his behalf if he doesn't agree to their terms.

What happened

Mr T held an Investment Trust Savings Plan (ITSP) with a firm (B1). In June 2023, they wrote to him and said that they'd reviewed the products and services they offered and decided that they would close their ITSPs in December 2023.

Customers who held ITSPs had three options - transfer their holdings to II, transfer their investments to an alternative platform provider or sell their investments. Customers had a deadline of 31 October to respond to B1 with their preferred option. If no response was received, then the default option was that the investment would be transferred to II. Chaser letters reiterating the options and the deadline to reply were sent on 7 August, 29 August and 25 September.

B1 have said that they didn't receive any correspondence from Mr T, so his investment was transferred to II. II sent Mr T a letter on 11 December 2023 explaining that the ITSP had migrated to their custody, and he would need to agree with their terms of service in order to access his account.

Mr T complained to II and explained that he'd told B1 that he'd wanted to sell the investment prior to migration but they hadn't done so. He said, in summary, that he now wanted to sell the investment but didn't want to agree to II's terms of service.

II looked into the matter and got in touch with B1 who said that they hadn't received any communications from Mr T and had sent chaser letters regarding the matter, but Mr T hadn't replied. II didn't uphold Mr T's complaint and reiterated that he would need to agree to their terms in order to sell the investment.

Mr T didn't accept their findings and asked for our help with the matter. The complaint was considered by one of our investigators who didn't think it should be upheld. She was of the opinion that there was no evidence that B1 had received Mr T's instruction and as he didn't reply to any of their chaser letters, then it wasn't unreasonable that they'd migrated the investment to II. She also didn't think it was unreasonable for II to ask Mr T to agree to their terms in order to access his account and sell the investment.

Mr T didn't agree with the investigator and asked for an Ombudsman to review the complaint, so it has been passed to me to 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 don't think this complaint should be upheld and I will now explain why.

I've firstly considered the circumstances behind the migration of Mr T's ITSP to II. I note Mr T's comments that he instructed B1 to sell the investment and transfer the funds to him. However, there is no evidence to suggest that this instruction was received.

B1 subsequently sent him three chaser letters which explained that no instruction had been received and if it wasn't received by 5 December, then the default option of a transfer to II would apply. The letters all had a heading in bold saying **"REMINDER - ACTION REQUIRED – PLEASE READ We require your response and instructions by no later than 31 October 2023"** and then went on to say:

- Letter one - *"We wrote to you recently to advise that following a review of the products and services offered by the *** group of companies (the '*** Group'), we have decided to close our Investment Trust Saving Plans (the 'Plans') in December 2023. To date we have not received your response, however if you have replied in the last few days please disregard this letter."*
- Letter two - *"Your current service is closing later this year and we do not have a record of your decision yet. If you have let us know your decision in the past few days, thank you, you do not need to let us know again and can ignore this letter."*
- Letter three – *"Your current service is closing later this year and we do not have a record of your decision yet. If you have already informed us of your decision in the past few days, thank you, you do not need to let us know again and can ignore this letter."*

Mr T didn't respond to any of the letters, so the investment was transferred to II. Taking everything into account, I don't think it was unreasonable for II to accept the migration of Mr T's ITSP as there was nothing to suggest that he'd opted to encash it or didn't agree to the transfer.

I've then considered II's requirement for Mr T to agree to their terms before he could sell the investment. I appreciate Mr T's concern at having to provide information to II, but I don't think it's unreasonable for a firm to ensure that a consumer agrees to their terms before conducting business on their behalf. I think it is fair and reasonable for a firm to ensure that their requirements are met before conducting a transaction.

I think this requirement was clearly set out in the numerous communications B1 sent to Mr T before the account migrated to II. And given that there's no evidence he made them aware he didn't want his investment transferred to II, I don't think it's unreasonable that II now require him to agree to their terms.

So, taking everything into account, I don't think II are acting unfairly in asking Mr T to agree to their terms before he can sell his investment and it therefore follows that I don't think this complaint should be upheld.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 14 February 2025.

Marc Purnell
Ombudsman