

## **The complaint**

Mr S and Miss S complain that JPMorgan Funds Limited trading as J.P. Morgan Asset Management (“JPM”) caused delays in splitting some shares between them.

## **What happened**

Mr S and Miss S held 1806.837 shares jointly in an JPM accumulation fund. They called JPM on 4 December 2023 to split this holding equally into their individual names. Having not received the relevant forms to action this, Mr S and Miss S called JPM again on 29 January 2024 - requesting the value, the bi-annual statement and the relevant forms to be sent out.

Mr S and Miss S then contacted JPM again on 12 and 22 February 2024 as the relevant forms had still not been received. JPM sent only one stock transfer form and two OEIC application forms on 29 February 2024.

On 14 March 2024, Mr S and Miss S asked how many stock transfer forms were required, and JPM advised only one was required. JPM says that whilst it had provided incorrect information, when the stock transfer form was received, not all the information it required had been completed.

Mr S and Miss S were again told on 11 April 2024 that only one stock transfer form was required to complete the transfer. Mr S and Miss S completed the forms on 4 May 2024, but JPM explained there were no transferee details on the form. Transferee details were however, provided on the OEIC application form.

Miss S's instructions were received on 23 May 2024 and a transfer of a share value of £25,692.98 took place. The transfer to Mr S was completed on 17 June 2024.

Mr S and Miss S complained to JPM as they were unhappy with the information that it had provided and the unnecessary delays this had caused.

JPM issued a final response letter dated 13 June 2024 partially upholding the complaint. It explained that it acknowledged incorrect information had been provided and that it had failed to provide the necessary forms when Mr S and Miss S had requested these. JPM offered £150 for the distress and inconvenience caused by this.

Mr S and Miss S didn't accept JPM's findings and so they referred their complaint to this service for an independent review.

One of our investigators considered the complaint but didn't feel that JPM needed to do anything further. In summary, they said:

- As JPM accepts that it had caused the error, they focused on what impact the errors had, both in terms of any potential financial loss, as well as the level of distress and inconvenience caused.

- The value of the holdings was £43,273.75 on 8 December 2023. The statements that JPM sent out in April 2024 showed the valuation of the fund had increased to £50,065.52 and the price was £27.72 per unit.
- When the first part of the transfer took place for Miss S around 23 May 2024, having reviewed the Financial Times for the daily price, the price of the unit was trading at around £28.43, and the total value was £51,386.44.
- JPM received the completed forms that had the information that was required on 15 June 2024, and JPM actioned this on the next working day on 17 June 2024 when the price was £28.80, placing the split value at £26,027.73.
- They acknowledged that Mr S and Miss S had said that JPM has held onto the funds and earned money off it. However, they noted that the money had remained invested in the market under Mr S and Miss S's names during this process, and whilst they appreciate the delays had not been ideal, Mr S and Miss S had benefited from an increased value of their shares.
- They acknowledged the time and effort Mr S and Miss S had spent trying to get this resolved, however, they felt the compensation offered was fair and reasonable.

Mr S and Miss S didn't accept the investigator's findings. In summary, they said:

- They don't agree that £150 fairly reflects the distress and inconvenience caused, as Mr S said his hourly rate is £50 and the time spent on trying to resolve the issues was well above three hours. He said he had spent a full working week on this over a six-month period and so they felt compensation of £2,000 fairly reflected this.
- The investigator had been swayed by the increase in the share value and hadn't considered that JPM had benefited from taking its fees for six months longer than they required.

As Mr S and Miss S remained unhappy, the complaint has been passed to me to decide.

### **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.

As JPM accepts responsibility for the errors which led to delays in splitting the shares equally between Mr S and Miss S, my decision will focus solely on whether there has been any financial detriment and/or distress and inconvenience suffered as a result. Ultimately deciding whether JPM's offer is fair and reasonable in all the circumstances.

From the information provided, it's clear that Mr S and Miss S's shares increased in value from when they initially instructed JPM to split the shares and when this was finally actioned. I understand the overall share value as of 8 December 2023 totalled £43,273.75 and this had increased to £51,386.44 on 22 May 2024 prior to the allocation to Miss S. Further, I understand the value of Mr S's shares was £26,027.73 when he was allocated his share on 17 June 2024. This clearly demonstrates the value of the shares had increased further on allocation to him. As such, I agree with the investigator that, despite the delays in allocating the shares, Mr S and Miss S have not suffered a financial loss as a result.

Mr S and Miss S feel strongly that they have unfairly incurred fees during the time it took to allocate the shares equally in their names. To make a finding in favour of this, I'd need to be persuaded that it was either their intention to either sell the shares, or to transfer the shares away from JPM at the time of requesting the share split. However, I've not seen any evidence which supports this.

I understand Mr S sold around 180 shares totalling just over £5,100 on 30 July 2024.

However, I've not seen any evidence to show that it was Mr S's intention to sell his shares once the transfer had been completed, at the time Mr S and Miss S provided their instructions to JPM. I appreciate that since the transfer has completed, he has decided to sell some of his holding, but if this was always Mr S's intention then I would have expected him to have made JPM aware of this, especially when the transfer had been delayed. As such, I don't think Mr S's argument that he had incurred unnecessary fees whilst the shares remained with JPM in joint names holds up to scrutiny. I say this as Mr S and Miss S would have always incurred fees whilst the shares remained with JPM. I also note that Miss S didn't immediately sell any shares after the transfer had completed and so hasn't incurred any unnecessary fees either. As such, I don't think an award for a return of any fees taken during the delays is fair and reasonable in the circumstances.

I've also thought carefully about the level of distress and inconvenience caused to Mr S and Miss S during the delays. Mr S says he spent a full working week on the issues over a six-month period and so he feels the compensation should be increased to £2,000 to fairly reflect that his hourly rate is £50. I appreciate that Mr S had to call and chase JPM on several occasions to try resolve what should have been a relatively simple request. I'm also aware that Mr S has dyslexia and I'm sorry to hear that addressing his concerns with JPM has caused him undue stress and has also affected his mental health. However, I think JPM's offer of £150 is fair and reasonable in all the circumstances.

I say this as our service doesn't consider a consumer's hourly rate when deciding whether an offer for distress and inconvenience is fair. The complaint is being brought in a personal capacity, so we look at the inconvenience suffered as part of our approach on deciding awards. Whilst Mr S did have to make some calls to JPM to resolve the issue, I must consider that there will usually be some level of administrative tasks involved in making a complaint. What I find most concerning is the amount of time it took JPM to resolve the issue - amounting to around six months - which I think would have caused both Mr S and Miss S some frustration. But I must also weight this up against the impact the error had on them.

Ultimately, their share value was always susceptible to market movements and even if they had concerns around the value dropping (which thankfully it didn't), the shares were still held jointly by them during the delays and so they could have taken action to minimise any loss, despite the share not being allocated in their individual names. As such, I find the impact of the error to have been lessened because of this. So I won't be asking JPM to increase its offer.

### **My final decision**

My final decision is that JPMorgan Funds Limited trading as J.P. Morgan Asset Management is fair and reasonable and so it should pay this to Mr S and Miss S if it hasn't already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Miss S to accept or reject my decision before 26 June 2025.

Ben Waites  
**Ombudsman**