DRN-5082597

The complaint

Mrs K has complained that abrdn Fund Managers Limited ('abrdn') caused her unnecessary expense when selling her stocks and shares ISA and her withdrawal of the proceeds.

What happened

Mrs K had been a customer of abrdn since 2004. In April 2024 she decided to sell the holdings within her stocks and shares ISA and transfer the funds to another provider. During the transfer process abrdn found that her surname didn't match as she had opened her ISA account with her maiden name. abrdn requested the original copy of Mrs K's marriage certificate and a solicitor's declaration in order to proceed with the transfer.

Mrs K was then told the solicitor's declaration wasn't needed. As Mrs K had incurred costs she wasn't happy and complained to abrdn.

In its response of 1 June 2024 abrdn said;

- It detailed the background of the complaint and the relevant dates. After a call with Mrs K on 20 May 2024 it referred to its Head Office who on 21 May 2024 confirmed it accepted the marriage certificate.
- It failed to advise Mrs K of this which resulted in her obtaining a Statutory Change of Name document. But when this was supplied the document wasn't certified so wasn't accepted.
- It wasn't willing to compensate her for the costs as this is what would normally have been required as per its guidelines. Also, its Head Office had excised its discretion in accepting the marriage certificate without this further documentation.

Unhappy with the outcome, Mrs K brought her complaint to the Financial Ombudsman Service. After bringing her complaint to this service, abrdn offered Mrs K £150.00 for the fact she hadn't been called back between 12 and 25 June 2024 and was told that referral to this service was her only opinion. We put this offer to Mrs K, but she still wanted her complaint investigated.

Our investigator who considered the complaint thought that abrdn needed to do more as it hadn't treated Mrs K fairly. He said;

- He didn't think it was unfair or unreasonable for abrdn to have asked for additional information about Mrs K's name change that had occurred upon her marriage.
- But he thought abrdn should have exhausted its processes before asking for the statutory declaration which incurred costs for Mrs K.
- As Mrs K hadn't been treated fairly so the costs of the statutory declaration plus postage costs needed to be refunded to her with interest. Mrs K had spent time and effort in getting the matter resolved and he thought abrdn's offer of £150 for the distress and inconvenience caused to be fair and reasonable.

Mrs K was happy with the outcome but abrdn didn't agree. It said;

- It had exhausted its standard process when it asked for further documentation.
- The complaint wasn't raised on the grounds that the documents would be reviewed. Its representative didn't know what abrdn's Complaints Team would decide and whether its discretion would be appropriate.
- It was difficult to see what it could have done differently in treating its customer fairly. It was being penalised for offering a discretionary solution.
- The costs incurred would have been incurred under normal circumstances. It reiterated its original offer of £150.00.

As the complaint remains unresolved, it has been passed to me for decision in my role as ombudsman.

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.

To help me assess the complaint I've reviewed the timeline of what happened;

- April 2024 – Mrs K asked abrdn to transfer her ISA savings to another provider I shall refer to a 'Business N' in my decision.
- 26 April 2024 – abrdn received from Business N a transfer out request of Mrs K's ISA but her surname didn't match its records.
- 30 April 2024 – Business N received a letter from abrdn saying Mrs K's surname as per the transfer instruction didn't match its records.
- 3 May 2024 – Business N wrote to Mrs K as it had been advised by abrdn that her surname – her married name – didn't match with its records. It enclosed a copy of the letter requesting Mrs K update her details with abrdn.
- 8 May 2024 – Mrs K contacted abrdn and was told she needed to provide her original marriage certificate.
- 9 May 2024 – abdrn wrote to Mrs K to confirmed receipt of the certificate.
- 20 May 2024 – Mrs K chased abrdn for an update and was told the marriage certificate wasn't acceptable and she would need to obtain a statutory declaration from a solicitor.
- 21 May 2024 – Mrs K paid for the solicitor's statutory declaration of her driving licence and sent this to abrdn via recorded deliver along with a letter from Business N confirming her surname.

  Business N wrote to Mrs K to confirm its records had her married name.

  abrdn referred to its Head Office who accepted the marriage certificate.
- 22 May 2024 – Mrs K received a call from abrdn to confirm her marriage certificate was acceptable. Mrs K wasn't happy she had incurred costs and raised a complaint.
- 24 May 2024 – abrdn confirmed that it would investigate her complaint.

  Abrdn wrote separately to confirm receipt of the documents provided and copies had been taken.
- 30 May 2024 – abrdn wrote to Mrs K to confirm it had updated its records to show her account was in her new name.

- 31 May 2024 – abrdn confirmed to Mrs K her ISA assets had been sold on 28 May 2024 as instructed.
- 11 June 2024 – After returning from holiday abroad, Mrs K picked up a voicemail from abrdn's complaint investigating officer informing her she would be written to, or she could call in the meantime.

  On the same day Mrs K opened abrdn's final response letter to her complaint saying the documents she had provided weren't certificated. Mrs K told us this confused her as both the driving licence and statutory declaration were stamped and signed by the solicitor. The original documents were sent to abrdn and returned to her.
- 12 to 25 June 2024 – Mrs K tried to contact the complaint investigating officer four times without success and was then advised there was nothing to discuss and the case was closed.

In its response to the investigator, abrdn has questioned what it could have done differently and said that if I upheld the complaint, it would discourage abrdn from 'seeking beneficial and client-friendly solutions in similar circumstances.' It said it had exhausted its standard process at the point it requested further documentation which it did during its call with Mrs K on 20 May 2024. It went on to say its decision to apply its discretion in allowing the marriage certificate as proof of Mrs K's name change came about further to that conversation.

abrdn told us the representative acted correctly during that call;

> 'When our Associate advised the client that the marriage certificate was not acceptable and instructed her to send the required documentation, he followed the correct course of action, reviewing the relevant matrix outlining what we accept for such name changes. At the same time, he also recognised the client's dissatisfaction and agreed to register the matter as a complaint.'

It said it was as a result of that call and the complaint being raised that brought about the discretionary decision that it would accept the documents as they were. It said the representative wouldn't have known at the time what the Complaint Team's decision would be.

Mrs K acted on that advice she was given, and I can see the statutory declaration was signed and dated by her solicitor the following day, on 21 May 2024. It was the day after that Mrs K was called by abdrn and was advised her marriage certificate she had originally been sent had been accepted.

Mrs K's version of events about her raising her complaint contradicts what abrdn has told us. She has said that it was as a result of the call on 22 May 2024, that left her;

> 'fuming as I had incurred an unnecessary cost'

And;

> 'asked for a complaint to be lodged as I expected to be compensated for the costs.'

From what Mrs K has told us, she only made her complaint after she was informed the marriage certificate she had originally provided was now acceptable so abdrn's comments that her complaint was made at the point she was advised the marriage certificate wasn't acceptable – which was on 20 May 2024 – doesn't seem correct. And it seems logical that Mrs K wouldn't have complained until the call of 22 May 2024 as she couldn't have known up until that point that she had incurred unnecessary costs.

That being the case I don't agree with abrdn that it had exhausted its processes before asking Mrs K for a statutory declaration that incurred an unnecessary cost for Mrs K. I can't see that its discretionary decision to allow the use of the original marriage certificate came about as a result of Mrs K's expression of dissatisfaction but before. So, while its decision whether to accept the originally provided marriage certificate may have been a discretionary one, and which I fully appreciate abrdn did in order to enterprisingly seek 'beneficial and client-friendly solutions' I'm satisfied that discretionary decision could equally have been made prior to Mrs K being advised on 20 May 2024 that the certificate wouldn't have been accepted.

While I accept abrdn has told us its representative was only following its internal guidelines in seeking additional documentation from Mrs K, I'm not convinced that at that point it had considered whether to use its discretion. And the use of that discretion was clearly an option as abrdn has told us it was used the following day. So, I don't agree that abrdn had exhausted all options that were available prior to its call to Mrs K on 20 May 2024 and those options included the use of discretion which it went on to use.

Putting things right

It follows that I uphold Mrs K's complaint, and it would be fair and reasonable for her costs to be returned to her. To put the matter right, abrdn should pay to Mrs K;

- A refund of the solicitors' cost of £96.00 plus interest at a rate of 8% simple from the date of payment to the date of settlement.
- A refund of the recorded delivery costs of £4.60 plus 8% simple interest from the date of payment to the date of settlement.
- abrdn has already offered £150.00 which I think is fair and reasonable and a fair reflection of the distress and inconvenience caused.

Mrs K should provide proof of payment dates if needed by Aberdeen.

My final decision

For the reasons given, I uphold Mrs K's complaint and abrdn Fund Managers Limited should put the matter right as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 16 September 2025.

Catherine Langley
Ombudsman