

The complaint

Mr W complains that Solium Capital UK Limited gave him misleading information and failed to provide enough support. As a result, he says that he missed out on the opportunity to purchase shares at the agreed option price.

What happened

Solium Capital is the scheme administrator for employee share save schemes for a company I'll refer to as A.

Mr W was an employee of A until his retirement on 30 April 2021. When he retired he had three share save schemes open.

Solium Capital sent three letters to Mr W on 5 May 2021 about each of his schemes and provided him with four choices. Choice two was to:

"Make additional saving contributions by standing order and then exercise your Options"

And to choose to do this, Mr W was directed to phone Solium Capital, which he did on 21 May. He says that during this call he was given misleading information. He says he didn't realise he was restricted to only six payments and that the options needed to be exercised within six months. And he says he didn't receive any reminders and Solium Capital continued to collect his contributions beyond the six months.

Mr W says he missed out on obtaining A shares at the option price and that Solium Capital failed to see events from his point of view.

Solium Capital said it made it clear in its 5 May 2021 letters that Mr W's options would lapse if he didn't exercise them within six months of his leaving date. And it sent him three reminders. It accepted he received poor service when he phoned on 21 May, but this didn't mean the options contracts could be reinstated. It offered him £200 for the poor service he received during this call, for the lack of a detailed explanation when it replied to his complaint in January 2023, and for the time taken to resolve his complaint.

Our investigator agreed with Solium Capital's conclusion and thought it's offer was fair and reasonable.

Mr W didn't agree. He said, in summary, that:

- Solium Capital's letter didn't include any dates for the additional contributions to start and end. During his call in May 2021, he suggested he could continue to save until the scheme's maturity date – December 2021 – and Solium Capital's member of staff didn't correct him.
- He wasn't told that, after Solium Capital's letter dated 5 May 2021, all correspondence would be through its portal, unlike active employees who don't have to rely solely on the platform.

- Solium Capital says no call took place in January 2022, but he knows Solium Capital phoned him.
- Solium Capital continued to collect his contributions after the six-month deadline, and he was told it wasn't responsible for telling him to stop contributions as they could continue until the end of the scheme. And he says that for two of his share saves, Solium Capital started returning his contributions after the December maturity date.
- A staff member at Solium Capital also told him that a leaver should be advised about the dangers of contributing for the full six months and should be limited to three or four to ensure they don't miss the opportunity to exercise their options.

After our investigator sent his view of the complaint, Solium Capital reviewed its records and was able to confirm a phone call had taken place in January 2022. It hadn't been able to trace this call initially because it had taken place some time ago.

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 agree with the conclusions reached by the investigator. He set out his conclusion in some detail and I have little to add to what's already been said. I'll focus my comments on the matters Mr W raised in response to our investigator's view.

The letters sent to Mr W on 5 May 2021 included the following wording in relation to the choice he wanted to make:

"Please note you must still submit your exercise instruction within six months from your leave date...."

"Please ensure you keep track of when the six month exercise period from your leave date expires as you will not be able to submit an exercise instruction after this date."

I'm satisfied this wording was reasonably clear and that Mr W had six months from 30 April 2021 to submit his instruction if he wanted to exercise his options. Solium Capital didn't receive his instruction within this time period, so Mr W lost the opportunity to give an exercise instruction. Mr W suggests the letters would have been clearer if they'd included the relevant dates. But I don't think there was any uncertainty over Mr W's "leave date", so it wasn't difficult to calculate six months from that date.

Mr W needed to phone Solium Capital to set up a standing order for the additional contributions he wanted to make. He phoned it on 21 May. Solium Capital accepts the service Mr W received during this call was "poor". Mr W says he was misled during the call. I've seen a transcript of the call. Most of the conversation was about setting up the standing orders but towards the start Mr W said:

"Um, now on the save as, the SAYE and there's an option to continue to save through to the maturity date of the save as you earn.....And that's the option that I would like to take up..."

By "maturity date", Mr W meant December 2021, although this wasn't specified. The member of staff acknowledged what Mr W had said. Clearly, and with the benefit of hindsight, it would have been helpful if the member of staff had clarified the number of contributions and the six-month deadline for exercising the options. But Mr W said this

shortly after the conversation had started and before the member of staff had obtained the information he needed from Mr W to access his account details. Once the member of staff had access to Mr W's account, and Mr W had passed the required security checks, there was no further discussion about the choice he'd made, only about setting up the standing orders, and Mr W didn't ask any questions about the number of contributions or the timescale for giving exercise instructions. For these reasons, I think it's understandable why the member of staff didn't start a conversation about the number of contributions allowed. Mr W had already made a choice, was phoning to set up the standing order, and the six-month timescale had already been made clear in the letters he received.

Solium sent reminders to Mr W about the six-month deadline, but he didn't see these reminders because they were only communicated through Solium Capital's portal. I don't find there was any obligation on Solium to send the reminders in a particular format. Mr W told us he didn't find the portal the easiest to use. And I do understand that it's not always easy to navigate sites when they're not being accessed on a very regular basis. But from what I've seen, I don't find there was anything to suggest the portal was particularly difficult to navigate and use, compared to others.

Solium Capital belatedly found a record of its phone call with Mr W on 27 January 2022. But I don't find this changes the overall outcome here. That's because the conversation doesn't provide any evidence of what led to Mr W's complaint; it was a discussion about how his complaint should be resolved. During the call, Mr W explained what happened when he left, including the amount of paperwork he had to read through and consider, and the fact that he moved home around the same time. Obviously, it was a stressful time for him, and he had to make a number of important decisions, not just a decision about his share save accounts. I think the member of staff was sympathetic to the position in which Mr W found himself and said she would reconsider his complaint and refer to management, which I think was appropriate. But she also made it clear that, because the plan rules specify six months for exercise instructions, and, because this was set out in its 5 May 2021 letters, the outcome was unlikely to change.

Mr W had chosen to make additional contributions. Solium Capital told him in its 5 May 2021 letters that he could only continue monthly contributions for six months. But Mr W says Solium continued to collect contributions *after* six months. Mr W had set up standing orders for the contributions. A standing order is an instruction to his bank to make a payment (unlike a direct debit instruction which authorises a business to debit his account). I find it was his responsibility to cancel the standing order instruction after he'd made his chosen number of contributions, or after six months. Whilst it would have been helpful, I don't find there was an obligation on Solium Capital to return the payments, or to contact Mr W, until he gave a withdrawal instruction.

Mr W told us that after his complaint Solium Capital made some changes to its processes and that he was told about the dangers of waiting six months to exercise options and that three or four months should be recommended – to ensure the opportunity to exercise is not missed. I've not seen evidence to support what Mr W has told us, but I would expect a business to continually review and refine its processes. And feedback and complaints from customers would partly inform any changes. But it doesn't automatically follow that a change in process means the existing process was wrong, inadequate, or unfair. Simply that an improvement has been made. And, whilst the comment about the dangers of a six-month deadline may have been made, I don't find it makes any difference to my conclusion. I say that because I've found the six-month deadline was clearly set out but Mr W didn't give exercise instructions within this period. So, if the deadline had been three or four months, I'm not persuaded Mr W would have acted any differently – in all likelihood, he would have still wrongly understood he could give exercise instructions at any time up to the expiry of the share save contracts, and he wouldn't have seen any reminders that were sent.

Solium Capital offered Mr W £200 for the poor service he received during his May call, for the lack of a detailed explanation when it replied to his complaint in January 2023, and for the time taken to resolve his complaint. I consider this to be fair and reasonable.

I'm not unsympathetic to the situation in which Mr W finds himself. And I appreciate the period before, during and after he left work was particularly busy for him and he had lots of paperwork to consider and decisions to make. And things were made more difficult for him because he'd worked from home during lockdown before he left, so couldn't discuss anything face to face with colleagues as he'd no doubt done before. But I'm satisfied Solium Capital acted in line with the share save scheme rules and provided Mr W with fair and clear information for him to make a decision and to understand what he needed to do by when.

My final decision

My final decision is that Solium Capital UK Limited should pay Mr W £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 16 December 2024.

Elizabeth Dawes
Ombudsman