

## The complaint

Mr T complains Interactive Investor Services Limited didn't tell him in time about a retail offer for shares he held in his execution only share dealing account.

## What happened

Mr T became aware of a retail offer inviting him to participate in a new issue of shares in a business I will call company G. He says that he was awaiting details of the offer from Interactive Investor, but received a Regulatory News Service (RNS) notification the following morning to say the offer had been completed. On the same day Mr T purchased a number of shares in company G through his Interactive Investor account. These transactions completed at a higher price than company G had quoted in the retail offer.

Mr T complained to Interactive Investor that their delay in telling him about the offer meant he had purchased less shares than he would have been entitled to under the retail offer. And that Interactive Investor should adjust the number of shares to reflect what he could have purchased if they had told him of the offer earlier than they did. Interactive Investor didn't uphold the complaint and explained the deadline for Mr T to respond to the retail offer was open for another day, and they hadn't received a response to the notifications they'd sent him.

Mr T brought the complaint to the Financial Ombudsman Service and one of our Investigators looked into things. Our Investigator didn't think Interactive Investor had done anything significantly wrong. Mr T asked that an Ombudsman decides the complaint and it was passed to me to consider.

## 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.

I understand Mr T will be disappointed, but for very similar reasons as our Investigator, I've decided not to uphold the complaint. I will now explain why.

Mr T became aware of a corporate action notification relating to company G the evening before Interactive Investor told him of it. Specifically, Mr T says he was aware of the full notification company G placed for the retail offer on RNS at 4:49 pm and that trading in the shares of company G had been temporarily suspended. I will now explain the timeline of events that led to Mr T making several stock purchases the following day as I consider this is at the crux of the complaint.

Mr T saw a RNS notification at 07:00 the next day advising that company G had been successful in placing funding. This related to an announcement regarding other capital raising and not the retail offer. Regardless of this, the announcement said, *"The Retail Offer will be open to investors resident and physically located in the United Kingdom following the release of this Announcement. The Retail Offer is expected to close at 4:45 pm {the next day}."*

The shares in company G had been suspended, but at 07:30 the temporary suspension was lifted. This was communicated on RNS and Mr T saw it. At 11:23, the same day, Interactive Investor issued an email to Mr T (and other consumers who held shares in company G). This asked Mr T to review the corporate actions page on his account. Mr T says he received the email sent at 11:23, along with a similar email from a third party regarding the retail offer.

Mr T says Interactive Investor knew of the retail offer the day before they told investors and had more than an adequate amount of time to prepare the announcement the following morning. He says that when company G announced their successful placing at 07:00 the following morning, Interactive Investor had more than enough time before the market opened in which to prepare the retail offer. Or at least to send out a communication to existing shareholders about the retail offer.

I understand Mr T's strength of feeling here, but it's my role to consider whether Interactive Investor treated him fairly. The terms and conditions of Mr T's account provide details of what a consumer should expect when Interactive Investor receive a corporate action notice. In this regard, Interactive Investor will use reasonable endeavours to tell a consumer about any rights issue, calls, conversion, subscription or redemption rights and takeover or other offers arising from capital re-organisations linked to their investments. I'm persuaded that it's more likely than not Interactive Investor were aware of the retail offer through RNS at the same time as Mr T, but this would have been very late in the day for them to have put together a communication to consumers. However, regardless of this, the shares in company G were suspended – albeit company G had applied for the suspension to be lifted. It wasn't until the following morning at 7:30 that Interactive Investor would have been aware the suspension had been lifted and this was new information for Interactive Investor to take into account before they communicated the retail offer to their account holders.

The notification Mr T saw on RNS at 07:00 may have led him to believe the retail offer had been completed, and that corporate investors had prevented him from taking part in the offer. He says he was very annoyed that the retail offer had never been made and wasn't going to be made as company G had already confirmed the placing had been closed. But this wasn't the case and, importantly Interactive Investor never told Mr T it was. It seems more likely than not Mr T made a decision to buy shares in company G after seeing the 07:00 RNS notice, but before Interactive Investor told him of the retail offer.

Mr T says he received an email from Interactive Investor at 11:23 to say there was a 'new' retail offer. I've seen this email and it's clear that this offer is the same retail offer and contained instructions on what Mr T should do to participate in the offer. Unfortunately, by the time his notice had been sent, Mr T had purchased a number of shares in company G at the market price. Based on what Mr T has told me and what Interactive Investor have provided, I've decided Interactive Investor took reasonable endeavours to issue the notice of the retail offer. It was sent within 4 hours of the suspension on the shares being lifted and it made clear the retail offer would close 24 hours later if not oversubscribed.

Mr T feels that if Interactive Investor had told him earlier about the retail offer, he wouldn't have purchased the shares he did. I understand this view. But Mr T has told us he had seen the RNS notifications from company G at 07:00 and 07:30 the next morning. So, regardless of this notification telling consumers the retail offer was still open, Mr T went on to purchase shares on the open market. I've therefore decided Interactive Investor are not responsible for him buying shares at market price.

I've carefully considered the final response letter issued by Interactive Investor. It explained the announcement from company G was made at 07:00 (on RNS) and that the event was available online at approximately 08:31 for current shareholders. Mr T has asked for any evidence that Interactive Investor sent him a notification at 08:31. My decision has focused

on the actions Interactive Investor took to tell their account holders about the retail offer, and not when the offer was available to the general shareholders in company G. I appreciate the final response letter could have been worded better than it was, but to be clear, I'm satisfied Interactive Investor didn't issue a notification at 08:31 or even suggest they did. In this regard they were simply explaining the offer was open to current shareholders who didn't hold shares in nominee accounts.

### **My final decision**

For the above reasons I've decided Interactive Investor Services Limited haven't done anything significantly wrong.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 29 July 2025.

Paul Lawton  
**Ombudsman**