

## The complaint

Mr D complains Hargreaves Lansdown Asset Management Limited ('HLAM') didn't allow him to cancel an order online and so his investment was sold when he didn't want it to be.

## What happened

Mr D had a stocks and shares ISA with HLAM. And HLAM provided services to him on an execution-only basis. In the ISA Mr D had shares in a company I'll refer to as 'N'.

In May 2024 N underwent a stock split and released a new Key Information Document (KID). In line with regulatory requirements, HLAM couldn't facilitate the purchase of shares in N while it was still waiting for the updated KID. So while it was waiting for the updated KID it suspended new purchase of N shares. It also temporarily disabled its online limit order service for N shares.

On 30 May 2024 Mr D contacted HLAM and said he was unable to place a sell limit order online for his N shares. He was put through to HLAM's dealing desk and placed a limit sell order by telephone just before 2pm. During the call HLAM told Mr D that if it was made by telephone the order was '*good for the day*' which meant that, unlike a limit order placed online which could remain open, this order would expire at the end of the day. So Mr D would have to set up a new order on the following day if he still wanted a limit order in place.

Shortly after placing the order Mr D changed his mind. He logged in to the app and the website to try and cancel the order but the option to cancel it wasn't available.

At 2.29pm Mr D's limit price was reached and the sell order was executed. That meant his shares in N were sold.

At 2.48pm Mr D spoke to HLAM by phone. He said he'd tried to cancel the order online but the option hadn't been available. And he wanted to know if it could be cancelled because it hadn't settled yet. He said that due to the stock split HLAM hadn't receive the KID yet so online orders hadn't been working properly. He said he couldn't place a sale order because the app didn't have live data so he had to place a limit order and he had to do that '*manually*' by phone. HLAM said the settlement date was simply when the money would become available and the trade had already been initiated with a counterparty so it couldn't cancel the trade on the basis that it hadn't yet settled. But HLAM would look into whether it had made an error and should reverse the trade on that basis.

After investigating HLAM wrote to Mr D saying didn't think it had done anything wrong. In summary it acknowledged it could've given Mr D more information when he was placing the trade, but it said it hadn't misinformed him. It said manual deals couldn't be amended online. It also said HLAM hadn't guaranteed it would answer telephone calls within a certain time so it didn't think the time it took for Mr D to get through to HLAM meant HLAM was at fault and should compensate Mr D for being unable to cancel the order. Although it thought it hadn't acted unfairly HLAM gave Mr D £50 as a gesture of goodwill because it knew he was frustrated.

Mr D referred his complaint to this service. He said that when he set up the limit order by phone HLAM didn't give him any information about how the order might differ from a limit order that was set up online. By not saying anything about that HLAM implied the order would operate the same way as an online order. He said that by having the shares sold too early he'd missed out on £2,000.

One of our Investigators looked into Mr D's complaint. He didn't think HLAM had done anything wrong. In summary he said the following:

- The reason limit orders couldn't be placed online for N shares was that HLAM hadn't received the updated KID yet.
- When he wanted to cancel the order Mr D knew he'd been unable to place the order online and had needed to do it by telephone. So he ought reasonably to have known he'd need to call HLAM again to cancel the order, even if HLAM didn't tell him that when he made the order.
- Mr D didn't call HLAM until after the limit price was reached and so the order was executed.
- Even though the sale didn't settle until several days later, the settlement date was simply when the payment was settled and didn't mean Mr D still owned the shares until then and so could still cancel the order.

Mr D didn't agree with the investigator's view. In summary he said HLAM didn't clearly explain why the order couldn't be placed online in the first place. And so to Mr D it seemed like a technical bug had occurred. If it was a regulatory restriction, then either all trading should've been suspended, or no trading should've been suspended. So it seemed reasonable Mr D would be able to cancel the order once it was placed – because that was the default option and he had no reason to think it would be otherwise. The responsibility was on HLAM to inform Mr D if the default position had changed.

Mr D added that HLAM logs would show he'd tried logging into both the app and website before the trade was executed, and he called HLAM as soon as practicable once he realised he couldn't cancel the order online. The fact HLAM placed him in a queue and didn't answer straight away shouldn't be to Mr D's detriment.

The investigator said that given Mr D had tried to trade online and wasn't successful and had to call HLAM to place the limit order, it wasn't unreasonable to expect Mr D would need to call to cancel the order. He said he appreciated Mr D had traded online in the past but that didn't mean Mr D should expect he could always do so. And HLAM's terms and conditions explained that.

Because no agreement could be reached, the complaint was passed to me to review afresh and 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'm not upholding the complaint, for broadly the same reasons given by the investigator on this complaint. I'll explain why.

The purpose of this decision is to set out my findings on what's fair and reasonable, and explain my reasons for reaching those findings, not to offer a point-by-point response to every submission made by the parties to the complaint. And so, while I've considered all the submissions by both parties, I've focussed here on the points I believe to be key to my decision on what's fair and reasonable in the circumstances.

I accept that after he placed the limit order by telephone Mr D logged in to HLAM's app and website with the intention of cancelling the order before the limit price was reached. And it's accepted that HLAM's app and website didn't allow him to cancel the order. That itself isn't a failing on HLAM's part because it had suspended online purchases and limited orders for N in order to comply with its regulatory obligations.

But Mr D has said he had a reasonable expectation that he'd be able to cancel the order online and HLAM is at fault for not telling him he wouldn't. Having looked carefully at the evidence I'm afraid I can't agree with Mr D on this point.

The fact Mr D had been unable to make his order online in the first place ought to have altered him to the fact something was different. When he called HLAM to see if the sale could be cancelled before it settled Mr D mentioned to HLAM that the app hadn't been producing live data and that problems with online trading were related to the fact HLAM didn't have an updated KID. So, even if as Mr D suggested he didn't fully understand the problem and HLAM didn't fully explain it, he knew something was wrong. And I'm not persuaded he ought reasonably to have expected that online orders would necessarily work as usual in the minutes following his telephone order.

Mr D said he thought the problem was probably a technical bug. Even if he'd reasonably thought that, I, again, don't find he had a reasonable basis to expect the bug would necessarily be fixed in the minutes following his order. His description of the situation to HLAM later indicated he was aware of a problem with live data and a problem relating to the KID – so Mr D would've known any bug was not merely a problem with the particular order he'd been trying to place.

Mr D said he wouldn't have placed the limit order if he'd known he wouldn't be able to change it. And because HLAM didn't tell him a telephone order would be managed differently his telephone order should've been subject to the same terms that would've applied to an online order – which was in any case the type of order he was trying to make. But HLAM told Mr D that because it was placed by telephone the order would be '*good for the day*' only. In doing this HLAM flagged to Mr D that telephone orders were different from online orders. Mr D didn't ask whether he'd be able to amend the order that afternoon and HLAM appears not to have anticipated that he would try to do that and needed to be told it wouldn't be possible. I do sympathise with Mr D in these circumstances, but I think HLAM gave him the information it thought he needed and it wasn't unfair or unreasonable that HLAM didn't say Mr D wouldn't be able to cancel the order online.

I've also taken into account the fact HLAM's terms and conditions said its acceptance of online instructions in respect of specific investments was at its sole discretion and subject to change at any time without notice. So I find that HLAM acted in line with its terms and conditions when it suspended the option to make and amend online limit orders for N shares without telling Mr D. And the terms and conditions gave Mr D to expect that online dealing wouldn't necessarily always be available for all shares – even where it had been in the past – and that HLAM didn't need to tell him if it ceased to offer online dealing for a particular share.

I'm also not persuaded Mr D missed out on cancelling by phone because of time spent in a hold queue. The timestamp on the call is 12.48 which is nearly 10 minutes after the limit

order had been triggered. The investigator said Mr D had called after the order had been executed. Mr D said he'd been kept on hold by HLAM. It is of course possible and not unlikely that Mr D had been on hold before he got through to HLAM. But during the ensuing call Mr D described the course of events without mentioning having had to wait a long time and so missed the opportunity to cancel. If Mr D had telephoned in order to cancel the order before it was triggered and had seen the order triggered while he waited on hold I would expect him to have mentioned it when he finally got through to HLAM. So on balance I think it more likely than not Mr D made the call too late to be able to cancel the order and he called to see if the sale could be cancelled after it was triggered but before it had settled.

I do understand Mr D's frustration in the circumstances of this complaint. But I don't find I can reasonably say HLAM treated him unfairly or unreasonably. So I can't hold HLAM responsible for Mr D's shares having been sold when he didn't want them to be. And it follows that I'm not requiring HLAM to take any action.

### **My final decision**

For the reasons I've set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 12 August 2025.

Lucinda Puls  
**Ombudsman**