

The complaint

Mr H complains Freetrade Limited trading as Freetrade didn't act fairly when shares he held with Freetrade were delisted, leaving him unable to trade the shareholding on any exchange.

Mr H complains of a lack of communication and lack of a proactive offer from Freetrade of an alternative arrangement, such as a transfer to another exchange or the issue of physical share certificates. He says this led to financial uncertainty and he seeks redress for this and for the period during which his shares were not tradeable.

What happened

Mr H held shares in a company listed on the London Stock Exchange (LSE). It delisted from the LSE and listed on the Astana International Exchange (AIX). Mr H was unable to trade his shares with Freetrade on the LSE from July 2023. As a result, he was unable to trade the shares with Freetrade as Freetrade didn't have access to AIX.

Mr H complained to Freetrade in June 2024. It replied in August 2024. It said it had been looking into trying to arrange share certificates for customers but had decided against this. It said it held Mr H's shares in a pooled nominee account, and its service didn't generally have involvement with share certificates. It said it wasn't able to offer to help with a transfer of his holding to AIX either as it didn't have access to that market.

But after Mr H referred his complaint to us in October 2024, Freetrade contacted him with a form to complete if he wished to transfer his whole shareholding to AIX, saying Freetrade would help him with this process if he wished. It explained that once this was complete, Mr H would be able to view his holding on an AIX portal, but Freetrade's involvement would cease. Freetrade said this offer was a result of further internal investigations into what it could do to help affected customers like Mr H.

Mr H said this offer didn't fully resolve his complaint. His points included, in brief summary:

- Freetrade failed to act promptly during the delisting and didn't give timely or adequate information about his options such as transferring to AIX or obtaining share certificates. The lack of clear communication and resolution for over a year caused significant distress and uncertainty about the future of his investment. There was also potential financial loss as he'd been prevented from capitalising on market movements or reinvesting his capital elsewhere.
- Trading the shares at AIX could only be done through an AIX member and not direct, with extra fees as a result. These costs and limitations weren't adequately disclosed upfront and placed an unreasonable burden on him as a shareholder. They diminish the value and liquidity of his investment.
- Had Freetrade acted differently - by facilitating share certificates or timely transfers to a more accessible exchange - he could have avoided costs of the kind involved in trading on AIX. By declining to issue paper share certificates, Freetrade restricted his ability to manage his shares independently or seek alternative trading solutions.

- He would like monetary compensation for the period during which his shares were untradeable, reflecting lost opportunities and the emotional stress caused. Freetrade should also reimburse any fees associated with the AIX transfer or help make available a more accessible and cost-effective solution.

Mr H explained that at that time - November 2024 - he hadn't transferred his shares to AIX as he was still considering the implications of the fees, lack of direct tradability, and limited support from Freetrade once the transfer completed. He said he remained concerned about the risks and costs associated with this transfer option.

Our investigator considered Mr H's complaint and thought Freetrade had been clear it didn't have access to AIX and couldn't facilitate trading on it of the kind Mr H had while on the LSE. But Freetrade had been slow in providing support to Mr H. There seemed little progress in the period between the share suspension and Mr H's complaint. But from October 2024 Freetrade did make progress with its offer to help move the shareholding to AIX.

Our investigator thought in the meantime Mr H had been left in a position of uncertainty. But he noted that in part this uncertainty was due to the delisting which was itself a risk inherent in an investment of the kind Mr H had chosen to make – and Freetrade wasn't directly responsible for that.

In the absence of evidence from Freetrade that it had acted as quickly and done as much as it ought to have done to support Mr H, our investigator thought Mr H was entitled to redress. He noted the situation was ongoing but to reflect the distress and inconvenience suffered by Mr H up to January 2025 (the date of his opinion) he said Freetrade should pay Mr H £250.

Freetrade didn't respond to contest our investigator's conclusions. Mr H replied that £250 for distress and inconvenience wasn't adequate. He said increased redress should be considered, in line with cases where firms left customers without adequate support or clear resolution for an extended period. His reasoning was, in brief summary:

- Freetrade's communication had been inadequate since July 2023. It wasn't a minor delay but a complete failure to provide meaningful guidance for well over a year. The prolonged period of inaccessibility created considerable financial distress, as he has been unable to make informed decisions regarding his investment.
- Freetrade's inaction meant he was unable to transfer or trade his shares, leaving him in financial limbo without control over his investment. The option to transfer to AIX only became available in late 2024, but even this came with additional costs and restrictions which weren't transparently communicated upfront.
- Given the long period of inaction, failure to communicate, and financial uncertainty, his case falls into our moderate to significant category of distress and inconvenience. Awards for similar cases where firms have failed to engage properly with customers over an extended period typically range between £750 to £1,500.

As the matter remained unresolved, it 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.

Having done so, I'm broadly in agreement with our investigator and for broadly the same reasons.

Freetrade hasn't sent anything to persuade me it took sufficient steps to help Mr H with his holding after it became suspended in July 2023. So I'm not persuaded that it couldn't have made its offer to help move his shares to AIX, which it made in October 2024, sooner – for example before his complaint in June 2024.

The share suspension itself, and the delisting from the LSE, wasn't something for which Freetrade was to blame – and it seems to me that this was at the root of the difficulties Mr H has experienced. It was foreseeable and not unreasonable that this situation took time for Freetrade to respond to, during which Mr H would not be able to trade.

I note Mr H was dissatisfied with the solution Freetrade found, given it involved extra fees and trading on a less accessible market than the LSE. But it seems to me that these were disadvantages that arose by virtue of the fact the company listed on AIX. Freetrade wasn't responsible for this. Mr H points out that Freetrade wouldn't agree to be involved in helping with his trading on AIX, but its service didn't offer trading on that exchange. I don't see that it can be found at fault for that. Also Freetrade did flag that AIX trading involved more fees.

So while Freetrade might have been more responsive and acted with greater urgency – or at least kept Mr H more up to date with its efforts - for the most part it seems to me Mr H's loss of access to his investment, and the uncertainty about what solution might be found for it, arose by virtue of the share suspension and delisting itself rather than from a fault on the part of Freetrade.

Bearing in mind Freetrade offered Mr H a way he could again access his suspended holding - on the exchange on which it had relisted - I don't see that it was wrong to not offer to try to provide him with certificated holdings instead. Also it isn't obvious to me that this would necessarily have had the benefits or enabled easy trading in the shares Mr H suggests.

I accept that had Mr H's shares not been suspended, he might have been able to profit from price movements in those shares. But it seems to me the fact Mr H wasn't able to trade his shares for the period, was for the most part the result of the share suspension rather than a fault on the part of Freetrade. I note Mr H did not immediately take up the offer that would've allowed him access, when this was offered, but nothing of consequence turns on this.

Of course, this doesn't mean that Mr H might not have taken up the offer earlier had it been offered earlier. But this is speculation. It seems to me the evidence doesn't support the idea there was a particular trade from which Mr H might have profited that he was prevented from doing due to Freetrade's failings. So I'm not persuaded what I have shown that Freetrade caused Mr H financial loss of that kind. I note in passing Mr H didn't quantify any such loss.

I accept Mr H suffered distress resulting from uncertainty arising from the share suspension. As I've said, uncertainty was to some degree unavoidable in the circumstances, but I share our investigator's view that Freetrade hasn't shown that it did as much as it could've done to help Mr H and minimise this in his case. So, with all I've said above in mind, and taking into account what Mr H has said, I think Freetrade should pay Mr H £300 for this distress.

I don't agree with Mr H that redress for his situation here should fall within the range for the moderate or significant categories he refers to. But I'd explain too that in making my award here I can only take into account the degree of distress for which Freetrade's failing is likely responsible. So my award is not intended to reflect the totality of his distress (as much as the unavoidable result of the share suspension), which I don't doubt was significant indeed.

So, in light of all I've said above and to the extent I've explained, I uphold this complaint.

In closing, I'd mention that I'm grateful to Mr H for his prompt and courteous responses to all

our enquiries – and for the clear presentation of his points throughout which has greatly assisted the work of our service.

Putting things right

I uphold this complaint. Freetrade Limited trading as Freetrade must put things right by paying Mr H £300 for distress arising from the failings I've discussed above.

My final decision

For the reasons I've given and in light of all I've said above, I uphold Mr H's complaint.

Freetrade Limited trading as Freetrade must put things right by paying Mr H £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 27 October 2025.

Richard Sheridan
Ombudsman