The complaint

Mr T complains that Curtis Banks Limited trading as Curtis Banks (Curtis Banks) incorrectly instructed his investment manager to sell the equity holdings from his Self-Invested Personal Pension (SIPP).

Curtis Banks carried out a loss assessment which it felt showed that Mr T hadn't lost out because of its mistake. But Mr T thinks it should pay him £10,000 to cover the profit he missed. He also thinks it should separately reimburse him for the trading costs he incurred restoring his position.

What happened

Mr T had a SIPP with Curtis Banks, held on an execution only basis. He said he'd held a specific shareholding through that SIPP for a number of years. He was considering transferring his SIPP to another provider. But that provider couldn't at that time receive his SIPP in specie, so any transfer would require the SIPP to be liquidated, which Mr T didn't want.

Curtis Banks said it received an Origo transfer request for Mr T on 22 July 2024. Following that request, it instructed Mr T's investment manager to disinvest the funds and close the account he held with that investment manager on 23 July 2024.

Curtis Banks said that as it still needed to complete its due diligence checks on the provider Mr T wanted to transfer to, it tried to cancel its disinvestment request on the same day. But it was too late as the investment manager had already sold Mr T's shares.

Curtis Banks said it then emailed the investment manager later that day to ask it if the funds could be reinvested. It said they could be, but that would have a financial impact on Mr T due to commission and charges.

Curtis Banks said it sent Mr T a transfer questionnaire on 24 July 2024. It also asked his chosen new provider for additional due diligence information by email. It said the cover letter sent with that email had stated that it would place Mr T's transfer on hold until it had received the transfer questionnaire from him.

The investment manager sold 60,000 shares that Mr T held in one specific shareholding on 23 July 2024 at a price of 0.6795 per share. It charged £298.08 commission as well as a compliance charge of £15 and a Panel on Takeovers and Mergers (PTM) levy of £1.

Mr T said that despite the fact that he'd never returned a completed transfer out questionnaire to Curtis Banks, he found out on 29 July 2024 that it'd liquidated his SIPP's assets and closed his account.

Mr T complained to Curtis Banks on 29 July 2024. He was unhappy that it'd requested the disinvestment of the funds he held with the investment manager linked to his Curtis Banks SIPP before it'd completed its required due diligence on the receiving scheme and before it'd received a completed transfer questionnaire from him. He was also unhappy with how long it'd taken for loss calculations to be completed. To put things right, Mr T wanted Curtis Banks to compensate him for all charges incurred due to this.

Curtis Banks said that it received £54,597.08 from Mr T's investment manager on 29 July 2024. On 31 July 2024, it told Mr T it would return this to his investment manager account. It did so on 1 August 2024, and I understand the funds were available for investment from 2 August 2024. But Curtis Banks didn't email Mr T to let him know this until 6 August 2024.

Curtis Banks said that on 29 August 2024, it'd requested details of the sale and the subsequent repurchases of Mr T's shares and the charges that had been applied. It said Mr T's investment manager replied by email on 5 September 2024 to tell it that it'd sold 60,000 shares on 23 July 2024 and that 25,000 shares had been bought back on 19 August 2024.

Curtis Banks said that it didn't receive the information it needed for its due diligence from the receiving scheme until 4 September 2024, so it couldn't proceed during that time and didn't think it was responsible for that delay. It also said that it'd received an email from Mr T's chosen new provider on 23 September 2024 which stated that Mr T's transfer request was now to be completed as an in specie transfer rather than a cash one. Curtis Banks said it emailed Mr T the same day to ask for his confirmation, but had received no response by the date of its final response letter. It explained that it would need a completed transfer our form from Mr T if he wanted to proceed with the in specie transfer before it could begin processing the request.

I understand that Mr T arranged for his shares to be repurchased as follows:

- 25,000 shares were purchased on 19 August 2024 at a price of 0.7425 per share. The commission charged was £204.21. There was also a compliance charge of £15 and a PTM levy of £1.

- 25,000 shares were purchased on 17 September 2024 at a price of 0.6150 per share. The commission charged was £180.31. There was also a compliance charge of £15 and a PTM levy of £1.

- 10,000 shares were purchased on 25 September 2024 at a price of 0.5074 per share. The commission charged was £71.03. There was also a compliance charge of £15.

Overall, the total charges for the sale and repurchase of the 60,000 shares was £816.63. And Mr T finally had the same shareholding he'd had before the incorrect sale of his shares by 25 September 2024.

Curtis Banks was then in the position to carry out a loss calculation for Mr T. It said it arranged for that calculation on 26 September 2024 to assess whether it's error had caused Mr T any financial detriment. It said it chased for the calculation on 15 October 2024.

Curtis Banks issued its final response to the complaint on 28 November 2024. It apologised for the service provided and upheld the complaint. It said it shouldn't have instructed Mr T's investment manager to sell his shares and close the account he held with it until it'd completed its due diligence checks and received Mr T's completed transfer out questionnaire. It also acknowledged that it'd taken longer than it should to complete its financial loss calculations.

Curtis Banks acknowledged that Mr T was frustrated about the length of time it had taken to complete a loss calculation. It apologised for the fact that it'd only completed the loss calculation on 26 November 2024, noting that Mr T's transfer out request had been placed on hold until this issue had been addressed.

Curtis Banks said that the loss calculation had shown that the shares had been sold for £40,770 and bought back for £39.011.50, leading to a profit before charges and commission of £1,758.50. After charges and commission it said the gain was £941.87. Curtis Banks therefore said it'd caused no loss.

Curtis Banks offered Mr T £300 compensation as a gesture of its sincere apologies for the stress and inconvenience it'd caused him.

Mr T brought his complaint to this service on 10 December 2024. He said that he regularly traded the shares he held in his SIPP. And that when those shares had become volatile, he'd started to trade his position on 10 July 2024. He said he'd wanted to keep his core position of 60,000 shares and trade the balance of cash. And then he'd decided that he had a limit to reinvest his cash if the shares fell significantly.

Mr T felt that Curtis Banks had frozen his ability to continue to trade between 29 July 2024 and 6 August 2024. He said during this period, the shares fell from 70p to 52p. And then rose from 52p to 62.5p. He therefore felt he'd lost out on valuable trading opportunities. He felt he could've made £10K profit during this time.

Mr T also said that he himself had taken responsibility for reinvesting his position. So he felt the trading profit he'd made was down to him and that it shouldn't be offset by the trading commissions that he felt Curtis Banks should reimburse him for.

Our investigator felt that Curtis Banks had taken reasonable steps to put things right. He said it'd acknowledged that it'd incorrectly instructed the sale of Mr T's investments.

Our investigator said that this service expects a business to put a complainant back as close as possible to the position they would've been in but for its mistake. In respect of Mr T's financial loss, he felt that Curtis Banks' loss assessment showed that Mr T hadn't lost out financially as Mr T's shareholding had been reinstated for a lower price than it'd been sold for, including charges and commission.

Our investigator acknowledged that Mr T said he hadn't been able to trade during the period he was out of market, and that he felt he therefore hadn't been able to take advantage of the low share price. He acknowledged that this must've been frustrating. But noted that Curtis Banks had told Mr T on 31 July 2024 that it would send his funds back to his investment manager, which it'd done the next day. This had meant that Mr T's funds had been available for investment in his account on 2 August 2024. Our investigator felt that this showed Mr T could've accessed his account and made the trades he said he'd wanted to make on 5 August 2024.

Our investigator noted that it wasn't until 6 August 2024 that Curtis Banks had confirmed the funds were back in Mr T's account. But felt that as it'd told Mr T on 31 July 2024 that it was going to send the funds, he could've himself checked his investment manager account sooner.

Our investigator didn't think Mr T had provided evidence that he'd told Curtis Banks he wanted access to his account so he could make specific trades. He said he could provide further supporting documentation if he had it.

Our investigator felt that the £300 compensation Curtis Banks had offered Mr T for the distress and inconvenience its error had caused was fair, and in line with what this service would've otherwise recommended.

Mr T didn't agree with our investigator. He made the following points:

- He didn't agree that he could've checked his investment manager's account and therefore noticed that his funds were available for investment on 2 August 2024. He said he'd been on holiday at the time and had already wasted some of his holiday dealing with Curtis Banks' error. He felt Curtis Banks should've told him as soon as the funds were back in his account.

- He'd intended to trade but couldn't because of Curtis Banks' error. Had he been able to trade, he would've made a profit. The fact that he hadn't done so was therefore Curtis Banks' responsibility.

- His strategy at the time of the error was to actively trade the share's volatility, as he'd done before and after the mistake. He said he'd emailed Curtis Banks on 6 August 2024 to say: "t*he market has presented huge trading opportunities in the last week and you have frozen my ability to trade my SIPP"*. He therefore felt that he'd evidenced that before, during and after the mistake he wanted to actively trade his share's volatility.

- He also felt that as he had corrected his own position in the shares he held, it was his profit. And that Curtis Banks should cover his trading costs, rather than offsetting them against his profit.

As agreement couldn't be reached, the complaint has come to me for a review.

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 going to uphold it. I know this will be disappointing for Mr T. I'll explain the reasons for my decision.

I first considered Mr T's point that he shouldn't have been required to check his investment manager's account to notice that his funds were available for investment on 2 August 2024 because Curtis Banks should've told him.

Should Curtis Banks have told Mr T sooner than it did that his funds were available for reinvestment on 2 August 2024?

While I've carefully considered the information Mr T has provided this service about his share buying and selling intentions, I agree with our investigator that there's no evidence that he told Curtis Banks that he wanted access to his investment account as soon as possible so he could make specific trades.

Based on what we now know, I can see that it would've been preferable for Mr T if Curtis Banks had specifically told him on 2 August 2024 that his funds were available for investment. But I agree with our investigator that Curtis Banks acted fairly and reasonably when it told Mr T on 31 July 2024 that it would send the funds, and that it acted promptly when it returned them the following day. I'm therefore satisfied that although it wasn't until 6 August 2024 that Curtis Banks confirmed to Mr T that the funds were back in his account, he had enough information from it that he could've himself checked his investment manager account sooner.

I note that Mr T said he was on holiday at the time, so I understand why he didn't want to waste more time chasing things up. However, I think that if he'd really wanted to invest in shares during his holiday, he would've done so.

I next considered whether the evidence shows Mr T would've made a profit but for Curtis Banks' error.

Did Curtis Banks' error prevent Mr T from realising a profit of £10K?

I can see from the information that Mr T has shared with this service that he has regularly traded his specific shareholding for some time. I can also see that Mr T made a trade in the share in question on 10 July 2024, when he said those shares had become volatile.

Despite that, I can't reasonably say with any certainty, whether, or how, Mr T would've invested differently if Curtis Banks hadn't incorrectly instructed the transfer. I'll explain why.

The evidence shows that the shares had been volatile for some time before 10 July 2024. Historic price information shows that the shares had traded at 39.75p on 17 June 2024, and that they then trended up to a peak of 82.50 on 10 July 2024. Therefore I'm not persuaded that the fact that Mr T traded on 10 July 2024 shows that he would've immediately traded on noticing volatility of the share in question during the period between 29 July 2024 and 6 August 2024.

And while Mr T said that he was prevented from trading between 29 July 2024 and 6 August 2024 due to Curtis Banks' error, I can't reasonably agree that this was the case. I also can't agree that the shares fell during this period from 70p to 52p, then rising back to 62.5p.

I say this because I've reviewed the historical price of the share in question and it was as follows over this period:

24 July 2024	70.5p
25 July 2024	71p
26 July 2024	72p
29 July 2024	70p
30 July 2024	69p
31 July 2024	68p
1 August 2024	66p
2 August 2024	62p
5 August 2024	57p
6 August 2024	61p

This shows that the share price fell from 70.5p to 57p on 5 August 2024, then rose back up to 61p.

Curtis Banks evidenced that Mr T's funds from the share sale were back in his investment manager account on 2 August 2024. And that he could've therefore traded on 5 August 2024 if he'd wanted to. The evidence shows that this date marked the lowest price of the share in question over this period. Therefore I'm satisfied that if Mr T had wanted to buy his shares back on 5 August 2024, he could have. Had he done so, he would've achieved the lowest price over the period in question.

Mr T said his strategy at the time of the error was to actively trade the share's volatility. He said he'd emailed Curtis Banks on 6 August 2024 as he felt the share had been volatile over the previous week. Mr T felt that he'd evidenced that before, during and after the mistake he wanted to actively trade his share's volatility.

I don't doubt that this was Mr T's intention. But there's no way of knowing if he would've made a profit or a loss from any active trading that he felt he was prevented from making because of Curtis Banks' mistake. So I can't reasonably require Curtis Banks to pay Mr T £10K in respect of the profit he thinks he would've made if he'd been able to freely trade over the period in question, as he could just as easily have made a loss.

I'm therefore not persuaded that I should ask Curtis Banks to compensate Mr T for failing to realise a profit on the basis of the information he's sent to us.

I next considered Mr T's point that as he'd corrected his own position in the shares he held, the profit made was his. Therefore he felt that Curtis Banks should separately reimburse him for his trading costs, rather than offsetting them against his profit.

Should Curtis Banks be required to reimburse Mr T for his trading costs?

I'd first like to note that Curtis Banks provides an execution only service for Mr T. This means that it doesn't trade on his investment account on his behalf without his explicit instruction. Instead, Curtis Banks said that most of its clients deal directly with the investment provider to instruct sales and purchases. It therefore felt that although Mr T had restored his own position after the incorrect sale, this would always have been the case.

I can't reasonably disagree with what Curtis Banks has said here. Therefore, while I understand why Mr T feels that he's entitled to the full profit he made when he bought his shares back, and that Curtis Banks should refund the trading charges and commission to him separately, I can't reasonably agree.

I say this because I'm satisfied that Curtis Banks' loss calculation was fair and reasonable and in line with what this service would've expected it to do. That is, consider the position Mr T was in before and after its error, net of any costs, to assess whether he has suffered a financial loss. That loss assessment showed that, after all costs were considered, Mr T had made a profit. I therefore don't require Curtis Banks to separately reimburse Mr T for his trading costs.

I've also considered if the £300 compensation Curtis Banks has offered Mr T for the distress and inconvenience its mistake caused him was fair under the circumstances of his complaint. Having done so, I'm satisfied that it is in line with what this service would've otherwise recommended.

Overall, I'm satisfied that Curtis Banks has already taken reasonable steps to put things right. So I won't be asking it to do anything further. And I don't uphold the complaint.

My final decision

For the reasons explained above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 18 August 2025.

Jo Occleshaw
Ombudsman