

The complaint

Mrs B complains that Financial Administration Services Limited (Fidelity) sold some of her shares causing a financial loss.

What happened

Mrs B complained to Fidelity when she noticed some of her shares had been sold without her permission.

Fidelity replied saying the shares had been sold due to a mandatory corporate action. They said Mrs B was sent an email about the action saying there was a notification to review in her online account. But because no reply was received within the timeframe the shares were sold. They also explained that although there was a short timeframe, they had notified shareholders as soon as possible about the action.

Remaining unhappy Mrs B brought her complaint to this service where one of our Investigators looked into what happened. They were satisfied Fidelity made clear the actions that needed to be taken in order to keep the shares. They thought Fidelity acted promptly and that the email made clear the matter required immediate attention.

Mrs B disagreed saying the email from Fidelity was inadequate as it failed to give any indication of the short timescale. Also Mrs B said Fidelity failed to take any follow up action to alert clients of the deadline.

Because an agreement couldn't be reached the matter has come to me for 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.

Mrs B has provided a lot of information about the complaint and it's clear how strongly she feels about what happened. I want to assure Mrs B that I've read and considered everything that has been provided even if I don't mention it all in detail. I've summarised some things that happened which reflects the informal nature of our service.

Also, what happened isn't in doubt or being contested by either party, so I won't repeat all of the arguments from either side. However everything that has been submitted has been taken into account when coming to a decision.

On 29 January 2025 Fidelity sent Mrs B an email titled *You have a new Corporate action or an update to an existing Corporate action that requires your attention*. The email also explained how to log into Mrs B's online account and said where to find details of the action.

This email was in the type of format used for such notifications, and I wouldn't expect it to provide any details of the action itself. Mrs B says the email didn't use the words *urgent* or *immediate attention*, and I wouldn't expect it to. The email is to alert customers that there is a notification for them to read, and it's that notification inside the online account which has

details of the action and explains any steps that need to be taken.

So I think Fidelity took the necessary action to let Mrs B know there was a notification in her account that required attention.

Mrs B says that Fidelity made no other attempt to contact her before the deadline. She says this was despite the urgency of the timeframe needed for a response, and especially since the notification hadn't been read. Mrs B's account is self-managed, and since I'm satisfied the email was sufficient, I don't think any further action was required from Fidelity. Because of the circumstances I can see why Mrs B thinks Fidelity should've taken further steps to make contact or issue a reminder, however I don't agree that's the case.

I've also thought about the corporate action notification itself which Mrs B says is *highly misleading*. Having reviewed the notification I think it makes clear what is happening, why it is happening, and the actions that need to be taken.

The issue with Mrs B's situation is the requirement for a W-8BEN form. The notification says that the form is required in order to hold the US shares in her account and gives details of how it can be completed. If the form isn't received by 4 February 2025 the notification says the shares will be sold, which is what happened.

Mrs B says there was a very short timeframe between the email and the action taking place; and I agree the timeframe was indeed short. Fidelity says the email was sent two days after they received information about the corporate action. This seems a reasonable time for them to read and understand the action, and then prepare the notification, as well as putting any system requirements in place. Fidelity was not in control of the 4 February deadline as this was set by the asset manager. So the deadline was indeed tight, but I haven't seen any errors by Fidelity in handling the corporate action.

Having carefully considered everything that happened I'm satisfied Fidelity acted fairly and reasonably so won't be asking them to take any further action. Fidelity acted in line with their procedures, and I've seen no persuasive evidence of any errors being made. I know what happened has had a financial impact on Mrs B however I'm satisfied this wasn't due to any mistakes made by Fidelity.

My final decision

For the reasons I've explained above my decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 9 December 2025.

Warren Wilson
Ombudsman