

The complaint

G complains that AJ Bell Securities Limited (“AJ Bell”) failed to provide a clear process for submitting a shareholder resolution.

What happened

On 3 March 2025, G contacted AJ Bell to enquire about the process for it asking the custodian of his account to file a resolution for an upcoming Annual General Meeting (“AGM”) of a company it was invested in. AJ Bell responded the same day to explain that G is able to vote on any upcoming shareholder events via the Voting Instructions page on its website.

G informed AJ Bell the same day that it wanted to direct the custodian to file a resolution at the next AGM of a company in its dealing account and wanted to know the process involved in this. It gave an example of a Canadian company and said that it was its understanding that anyone holding shares with a fair market value of at least \$2,000 for six months, as determined at the close of business on the day before the shareholder submits the proposal, is eligible to file such resolutions. G also raised a complaint in this correspondence.

G chased for a response on 5 March 2025 and AJ Bell acknowledged that a complaint had been set up. G responded by stating the correct process would be for it to submit a resolution to AJ Bell and for it to pass it on to the custodian, who would then file this with the relevant company.

AJ Bell looked into the concerns but didn’t uphold the complaint. In summary, it said:

- Although shareholders may have the right to submit a proposed resolution for a company’s AGM, the process varies depending on the jurisdiction and the company’s governing documents.
- In some cases, shareholders must hold a minimum percentage of shares or a specific number of shares, and for a certain period of time to propose resolutions.
- It can also depend on how AJ Bell holds the shares, as some shares are held within the UK settlement system, while others are managed through its international custodian.
- It asked G to provide details of the company in question so that it could investigate further with company, registrar, and/or custodian on its behalf.

G remained unhappy with AJ Bell’s response and so it referred its complaint to this service for an independent review.

One of our investigators considered the complaint but they didn’t think AJ Bell had acted unfairly. In short, they said they didn’t think there was a one size fits all process for what G was looking for and they felt AJ Bell had explained the reasons for this. They noted that G had given AJ Bell two example companies, but it confirmed G didn’t hold shares in these. So given the amount of work it would take gathering the information, reaching out to all parties, and then collating the responses and reporting back to G, they didn’t think it would be fair to expect AJ Bell to do this on the examples provided.

G didn't accept the investigator's view and said that if AJ Bell could show how it processes such a request for any one stock (and what the process is) then it could be confident to use the account in the correct way.

As G remained unhappy, the complaint 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.

The crux of G's complaint appears to be that AJ Bell failed to provide it with a clear explanation as to its process around submitting a shareholder resolution for an AGM.

Having considered all of the correspondence between G and AJ Bell, I'm persuaded AJ Bell has provided a satisfactory response to the request. I say this as AJ Bell clearly explained that the process around such a request is nuanced and would depend on which company G was intending to submit a resolution to. I note that although G gave example companies, it didn't provide AJ Bell with a specific company the request was intended for. As such, I don't think it would be fair or reasonable to expect AJ Bell to provide a generalised approach, when there are clearly many factors that would affect G's ability to submit a resolution request. It's also clear that G does have some understating of the nuanced nature of such requests, as in the Canadian company example it provided, it said that it understood that a shareholder would be required to hold shares with a fair market value of at least \$2,000 for six months in order to submit a resolution.

I also agree with the investigator's comments that it wouldn't be fair or reasonable to expect AJ Bell to conduct the amount of work associated with gathering the information required to give a clear answer to G, on the example companies it had provided. I say this as it wasn't clear that it was G's intention to submit resolutions to any of the example companies provided, as it didn't hold shares in these.

Overall, whilst I appreciate G would like to have a better understanding of the overall process, I'm satisfied AJ Bell has explained why it isn't possible to provide this for a nuanced and often complex kind of request.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask G to accept or reject my decision before 7 October 2025.

Ben Waites
Ombudsman