

The complaint

Mr J complains Computershare Investor Services Plc ('CIS') sold, without his instruction, shares held through an employee share ownership scheme ('the scheme').

What happened

Mr J was employed by a company I'll refer to as 'D'. While employed for D, Mr J took part in its employee share scheme, which was operated by CIS. At the time of leaving his employment with D in August 2024, Mr J had accumulated approximately 1,400 shares in the scheme.

Shortly after his employment with D ended, CIS emailed Mr J to notify him that due to the change in his employment status, he might be required to take some action within an unspecified timeframe. The email asked Mr J to log into his account and "*complete any tasks.*"

Mr J told us he regularly logged into his account over the following months, but found no task to complete. In November 2024, Mr J checked his account and noticed an order to sell his entire shareholding with D had been placed the day prior without his knowledge.

Mr J called CIS to query the sell order and was told he'd failed to provide instructions on whether to sell or transfer the shares within 90 days of leaving his employment with D. Once the deadline lapsed, an automatic sell order was placed.

Mr J complained to CIS saying it failed to notify him of his options and the deadline as per the terms of the account. He said he incurred a financial loss in the form of tax liability from the sale of the shares amounting to approximately £3,600, plus administration fees of approximately £45. CIS reviewed Mr J's complaint but didn't agree it failed to provide the relevant notice as a task was applied to his account for him to complete within the deadline. It said because Mr J didn't complete the task in time, the sale of his shares was triggered.

While it didn't uphold the merits of Mr J's complaint, CIS acknowledged it caused a delay in acknowledging the complaint and said it would arrange a goodwill gesture payment of £100.

Mr J wasn't satisfied CIS resolved his complaint and brought it to our service. Amongst other points that have been outlined above, he said:

- A task was not added to his account. If it was, he'd expect it to be listed in the expired task section of his account, which it isn't.
- Had he been correctly notified of his options, he would've chosen to transfer the shares to mitigate the tax liability and fee that occurred on the sale.

One of our investigators reviewed the complaint and was of the opinion CIS didn't do anything substantially wrong and so did not uphold Mr J's complaint. In summary, they said:

- The scheme rules state leavers must either sell or transfer their shares within 90 days of their employment ending.

- They were satisfied evidence provided by CIS indicated an email was sent to Mr J on 26 August 2024 notifying him he may need to take action. They noted that while Mr J indicated on a call to CIS that he didn't receive any communication, Mr J's complaint to this service indicated he had received the email and noted its contents.
- CIS provided evidence to indicate the relevant task setting out Mr J's options and deadline was added to his online account. This would no longer have been available to view in the account once it expired, but CIS provided an example of what this would've looked like in Mr J's account during the period it was live.
- They were satisfied CIS acted in line with its terms and conditions in providing the appropriate notice to Mr J.
- That said, following receipt of the August 2024 email, Mr J was on notice he likely needed to take action within a timeframe and could've reached out to CIS's support channels to seek guidance if he was unable to find the task. Had he taken this action, it's likely CIS would've assisted Mr J in completing the task before the deadline, preventing the sale of the shares against Mr J's wishes.
- This service wouldn't be able to consider the point Mr J raised with CIS about its delay in acknowledging his complaint.

Both parties provided additional evidence in response, which ultimately didn't change the investigator's mind. They found, on balance:

- The August 2024 email prompted Mr J to log into his account to look for the task.
- Based on the information CIS provided, the task was most likely removed from the account entirely on expiry, as only completed historical tasks remained visible.
- CIS had no record of data outages or incidents at the relevant time that may have impacted visibility of the task.
- On balance, the evidence indicated the task was added to Mr J's account and should have been visible, so it's unclear why Mr J didn't see it.
- Login records showed Mr J had logged into his account regularly and he ought to have contacted CIS to query the anticipated task. Had he done this, action could've been taken to prevent the sale of his shares.

Mr J disagreed with our investigator's view. In summary, he said:

- He would've read the email shortly after it was sent in August 2024. He logged into his account regularly, but there were no tasks to view.
- The wording of the email did not explicitly state he needed to take action, just that he 'may' need to. So this alone wasn't sufficient to notify him that his shares could be sold if he failed to provide an instruction.
- The back-end system evidence was not conclusive of a task being made visible to him. This also suggested a creation date of 4 September 2024, 12 days after the task was purportedly visible on his account.
- He does not dispute the content of the scheme rules with regard to the requirement to sell or transfer the shares within 90 days of his employment with D ending, but he joined the scheme in 2018 and couldn't reasonably be expected to recall the relevant rules at the time his employment ended in 2024.
- In any case, his complaint relates to CIS's actions, and its terms state notification of his options and deadline would be provided. The August 2024 email in isolation was insufficient to meet the requirements set out in the terms.

- He disputes CIS's argument that the task wouldn't appear in the expired task list on his account because it wasn't completed. A screenshot of the expired task section of his account demonstrated a voting task had expired without being completed.

As matters remained unresolved, Mr J's complaint was passed to me to decide.

What I said in my provisional decision

After careful consideration of the information provided by both parties, I decided to issue a provisional decision to give both parties an opportunity to respond. I explained that while I was minded to agree with the outcome reached by the investigator, my reasons for reaching that outcome were slightly different and addressed new information that had been provided.

In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. While I've carefully reviewed all the arguments that have been presented – my comments will focus on what I consider to be the core issues in dispute.

Was Mr J given sufficient notice of his options?

It's not in dispute that the scheme rules state upon resignation of employment, Mr J's shares would need to be sold or transferred within 90 days. And I accept Mr J's assertion that at the time of leaving his employment in August 2024, he couldn't reasonably be expected to recall the scheme rules in detail given the time passed since joining the scheme in 2018.

Mr J has referred to CIS's terms of service which say:

"8.1 Where you are no longer employed by the Company, we will notify you of the date by which your SIP Securities must be removed from the trust and the options that are available to you in order to do so."

Mr J maintains that CIS failed to comply with this term because it didn't add a task to his account setting out his options and deadline.

CIS disputes it failed to provide the required notice and sent us evidence from its back-end system to demonstrate a task was added to Mr J's account. It also provided an example screenshot of how this would've appeared to Mr J. CIS says this task would've set out his options and informed him of the deadline to provide his instruction on whether to sell or transfer the shares. I've carefully considered this information alongside the screenshot evidence provided by Mr J and don't consider it to be conclusive evidence that a task was visible to Mr J at the relevant time.

CIS's system evidence indicates a 'leaver grace period' task was initiated with a start date of 23 August 2024 and end date of 21 November 2024. I'm satisfied this process was correctly initiated in the background as the share sale was automatically triggered on 22 November 2024.

CIS says the timeframe noted above was the relevant period the corresponding task would've been available to view on Mr J's account. But the report CIS provided indicates this process was created on 4 September 2024, so it's unclear to me how the relevant task would've been visible to Mr J from 23 August 2024. Login records show Mr J logged into his account frequently between August and November 2024 indicating he may have been repeatedly checking to see if a task had been added.

I've also considered the screenshot evidence provided by Mr J, which in my view, supports his argument that there wasn't a task available for him to complete. CIS previously explained uncompleted tasks won't appear in the expired task list on Mr J's account, but the screenshot Mr J provided of his expired task list shows a previously expired voting task. The task displays an information button, which offers the following information:

"Task created on 17 April 2024; expired on 7 May 2024 without being completed. No further action is possible."

No other tasks from 2024 are listed. I find this persuasive that expired and uncompleted tasks may in fact remain listed on the account contrary to what CIS told us, which casts doubt on CIS's assertion that the leavers task would've been visible to Mr J.

The evidence presented doesn't, in my view, demonstrate what happened and so it's unclear whether the task was visible to Mr J on his account during the period CIS says it was, or if instead an error occurred. I also can't discount that the method or versions of software Mr J was using to access his account may not have been compatible. As I mentioned above, CIS's system evidence indicates the relevant process had been initiated and it follows then a task ought to have been added, but Mr J's screenshot evidence and login record is persuasive that the task wasn't visible to him despite CIS showing it enabled the task for his account. I appreciate CIS has explained it had no records of technical issues at that time, but based on what I've seen, I'm not able to discount the possibility that a fault occurred.

Having carefully weighed up the information provided by both parties – on balance, it's my view that the task setting out Mr J's options and deadline to provide his instruction wasn't visible to him when logging into his account. The login records show Mr J's login frequency increased significantly since CIS's August 2024 email, which indicates he was likely looking for a task to complete, but didn't have one waiting for him. And so, I'm unable to make a finding Mr J was provided with his options or the deadline to provide instruction.

Could Mr J have reasonably mitigated his position?

While the evidence that's been presented indicates Mr J did not receive full details of his options and the deadline in line with CIS's terms and conditions, it's important that I consider whether the circumstances presented an opportunity for Mr J to reasonably mitigate his position and the resulting tax liability.

While a copy of the actual email sent to Mr J in August 2024 has not been provided – I've seen an example copy and understand the wording is not in dispute. This said:

"[D] has informed us that there has been a change to your employment status and you may need to take action.

Please log in to [CIS] and complete any tasks on your Overview page, under "Your Tasks" section. Some tasks must be completed by the deadline date or action might be taken on your behalf.

If you require any assistance, you can contact us [...]"

In responding to comments in the investigator's view that Mr J ought to have contacted CIS for support when he couldn't find the task, Mr J pointed out the

wording of the email did not expressly confirm that he definitely would need to take action, or that there would definitely be a task for him to complete.

I agree with Mr J's comments that the wording of the email, when viewed in isolation, is not conclusive. But I've considered whether this message, in the context of Mr J's wider circumstances ought reasonably to have resulted in further action taken by Mr J.

In my view, it seems clear from Mr J's actions in response to receiving the email that he understood he might need to take action with his shares given his change in employment circumstances and logged into his account regularly expecting to find the task to complete the action to provide his instruction. I agree that he likely wouldn't have recalled the details of the scheme rules since joining the scheme in 2018, but the email from CIS appears to have done what it intended by alerting Mr J to an action he needed to take, which as I've explained I'm persuaded he followed.

And while my conclusions on this point don't negate the fact CIS likely hadn't provided Mr J full information about his options and the deadline due to the issue with the task displaying on his account – when taking the broader circumstances into consideration, I think it would've been reasonable for Mr J to have contacted CIS for guidance when he couldn't locate a task.

Since leaving his employment with D and receiving CIS's email in August 2024, Mr J logged into his account frequently and I'm satisfied this was because he understood his change in employment meant he likely needed to take action with his shares. Having failed to locate a task within a few login attempts on separate occasions, I think Mr J ought to have reached out to CIS for clarification on whether action was required given his continued and unanswered interest in identifying the task he was expecting to see. Had Mr J done so within the 90 day time frame to give his options, I'm satisfied CIS most likely would've provided information to Mr J to set out his options, allowing him to provide instructions on his preferred course of action.

It's unfortunate the task did not appear on Mr J's account as expected. As I've set out above, it's not clear why this didn't happen, and I empathise with Mr J for how things ultimately resulted. But taking everything into account – I think Mr J had a reasonable opportunity to mitigate his loss by contacting CIS. While I understand this answer will be disappointing for Mr J for the reasons I've given, I'm not intending to say that CIS needs to take any action.

Lastly, CIS offered Mr J £100 for not recording his complaint when he first tried to raise it. Complaint handling isn't a regulated activity and here I don't consider it to be ancillary to the provision of the financial services Mr J complains of. I can't then comment on the fairness of the offer it made. It would be then for the parties to arrange payment of that offer if it is still in place and hasn't been paid."

Responses to my provisional decision

CIS acknowledged my provisional decision and said it had no further comments. Mr J responded to confirm he was in agreement with my finding that on balance, a task was likely not visible to him on his account and that he couldn't reasonably be expected to recall the scheme rules in detail given the time passed since joining the scheme. However, he didn't agree with my finding that he ought to have mitigated his position by contacting CIS for guidance. He provided the following comments in summary:

- The law of mitigation does not require steps to be taken before breach occurs, or

before reasonable awareness of a breach.

- It's unfair to expect a consumer to assume a system failure has occurred.
- CIS's email did not amount to actionable notice. It only indicated action *may* be required and did not provide his options or deadline.
- He acted diligently by regularly checking his account to look for a task.
- A reasonable person in his position at the time wouldn't have understood they ought to have taken action to prevent an automatic sale.
- Had he understood his options and the deadline, he would've opted to transfer the shares to mitigate the tax liability and fees that occurred on the sale.

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 carefully considered the further submissions by Mr J, I've not seen a reason to depart from the outcome I reached in my provisional decision. I'll explain why.

As the parties appear to no longer be in dispute over the issue of whether sufficient notice of Mr J's options and deadline was provided by CIS, I won't comment on it further here. For completeness, the contents of my provisional decision set out above should be viewed as my final decision, in addition to what I've said below.

Mitigation of loss

Mr J asserts the circumstances did not create a duty for him to mitigate his loss. He said an obligation to mitigate doesn't arise where there's no awareness of the risk, and he pointed again to the wording of CIS's email, which didn't clarify his options, the deadline, or explicitly state he was required to take action. He said he acted diligently in following CIS's instruction to check his account and shouldn't have been expected to conclude the task was missing due to a system failure.

Finally, he suggested the opportunity to mitigate loss should be assessed on what a reasonable person would have understood at the time. In my view, this is the key consideration. While I think Mr J unlikely had actual knowledge of his options and the 90 day deadline at the relevant time – I've considered all the relevant circumstances in the round, including Mr J's wider understanding of his change to employment status and his actions in response to the information he received.

I don't agree actual awareness of the impending automatic sale needed to be present in order for Mr J to have taken action in this case. I think the wider knowledge of his change in employment, combined with the content of CIS's email was enough to amount to an understanding that he likely needed to take action with his shares. And while the details were uncertain, CIS's email indicated there was a risk action could be taken with the shares if he didn't provide an instruction by a deadline.

I agree Mr J diligently logged into his account as instructed by CIS. As I noted in my provisional decision, the frequency of his login activity increased significantly in response to the August 2024 email. Coupled with the knowledge that he'd recently left his employment with D and had received information to suggest this meant he might need to take action with his shares, I maintain my finding that he was logging into his account with the expectation of finding a task to complete to provide his instruction. When this didn't appear as expected, I think Mr J ought to have taken action to contact CIS.

I agree Mr J likely only became aware of the 90 day deadline with the benefit of hindsight, but CIS's email did indicate there may be a deadline. After failing to locate a task within a few login attempts and with the understanding there might be a need to take action before an unknown deadline due to his change in employment status, I think Mr J ought to have contacted CIS sooner rather than later for clarification.

Mr J has suggested it wouldn't be fair to expect him to make an assumption the task was missing due to a system failure. While the reason for the task failing to display in Mr J's account isn't clear, we live in a digital age where technical issues do tend to occur from time to time, no matter how well-established the provider. So, I think it would've been reasonable for Mr J to consider the possibility there may have been a technical reason behind the task not showing in the account.

As I noted in my provisional decision, I sincerely empathise with Mr J for what ultimately happened, but I maintain my finding that in light of the email he received from CIS and his change in employment, he ought to have reached out to CIS to seek guidance when he couldn't locate the expected task. Had he done so, I'm satisfied he would've been able to arrange for the shares to be transferred rather than sold. I understand my decision will disappoint Mr J, but for the reasons I've explained, I won't be asking CIS to take any action.

My final decision

My final decision is that I don't uphold Mr J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 26 January 2026.

Rebecca Faiers
Ombudsman