

## The complaint

The estate of Mrs S complains Interactive Investor Services Limited ('Interactive Investor') failed to transfer assets when requested.

This complaint was brought on behalf of the estate by Mrs S's son I'll refer to as Mr S, and by Mrs S's grandson who was the beneficiary of the assets concerned.

## What happened

The late Mrs S had a trading account with Interactive Investor which she set up to hold in trust for her grandson. According to Interactive Investor's records Mrs S was the sole trustee. The account held a parcel of shares.

In June 2021 Mrs S passed away.

On 30 September 2021 Mr S telephoned Interactive Investor. He said Interactive Investor held a trust that had been set up by Mrs S who had died, and he asked what he should do. Interactive Investor said it would need a certified copy of the death certificate with a covering letter, and it would then freeze the account and seek instructions from the executor about whether to transfer the shares from the account or liquidate the shares and transfer cash.

On the same day Mr S wrote to Interactive Investor saying he was the trustee and executor of his mother's estate and enclosing a death certificate and tax certificate. He said, *'I look forward to hearing from you so I can finalise probate'*.

Probate was granted on Mrs S's estate on 21 January 2022. Mr S was the named executor.

In August 2022 Interactive Investor sent a *'Trust Data Request Form'* to Mrs S's address, saying it needed information about the trust to ensure its records were up-to-date.

Mr S says that in 2023 he received correspondence that Interactive Investor had sent to his late mother's address. Amongst other things it showed the fees Interactive Investor had charged on the account.

On 28 March 2023 Mr S wrote to Interactive Investor. He referred to his letter of September 2021. He said Interactive Investor's fees were unreasonably high and he wanted Interactive Investor to immediately transfer the trust's shares to Mrs S's grandson who was now 18 years of age.

On 31 March 2023 Interactive Investor wrote to Mrs S's son saying he'd told Interactive Investor of Mrs S's passing on 30 September 2021 but Interactive Investor hadn't communicated that to the relevant team and so the relevant team had only now learned of Mrs S's passing. Interactive Investor apologised and said it would refund fees it had charged since 30 September 2021 and it would also waive fees for the next three months. Interactive Investor also acknowledged the request to transfer Mrs S's assets to her grandson but said it couldn't find an account number for Mrs S's grandson. It asked for account details and said if Mrs S's grandson didn't already have an account he could open one via Interactive

Investor's website. It provided a phone number that Mrs S's son could call if he had any questions.

On 14 April 2023 Mrs S's son wrote to Interactive Investor saying it had failed to follow instructions and had sold shares without being instructed to do so. He said that if Mrs S's grandson opened an account with Interactive Investor the fees would 'wipe out' his holdings. He said Mrs S had explained to Interactive Investor when she opened the account that she would be holding shares for her grandson who was under 18 years of age, and he said that after the account fees rose substantially Interactive Investor ought to have moved Mrs S's assets to a different account or arranged for her account to be closed. He said unless Interactive Investor refunded all fees charged over the lifetime of the account and reinstated shares it had sold he would refer the matter to this service.

On 27 April 2023 Interactive Investor wrote saying it had informed Mrs S of terms and conditions when the account had been taken over by Interactive Investor in February 2021. It described its fees and said it would reply to the complaint from Mrs S's son in due course.

On 10 May 2023 Interactive Investor wrote to Mr S. It said it understood he was complaining about the cost of Mrs S's account and the service provided, including the fact that Interactive Investor had sold some shares to cover fees. It asked Mrs S's son for information showing he had authority over the account to allow Interactive Investor to take instructions and discuss it in detail. It also said it couldn't see it had made any error in charging the fees it had charged or selling assets to cover fees. Finally, Interactive Investor said it would pay £100 for the error of failing to notify the relevant department of Mrs S's passing when it should've. And it said it could begin to transfer out Mrs S's assets once it had received the information it needed. Interactive Investor said this was its final response to the complaint from Mrs S's son and if he wasn't satisfied he could refer his complaint to this service. And if Mr S didn't refer his complaint within the relevant time limits then this service wouldn't have Interactive Investor's permission to consider it.

On 30 June 2023 Mrs S's son sent Interactive Investor a copy of Mrs S's death certificate and the grant of probate. He asked Interactive Investor to immediately transfer Mrs S's shares to Mrs S's grandson. And he said he'd refer the matter to this service because Interactive Investor's offer had been unsatisfactory.

On 14 July 2023 Interactive Investor wrote a letter to Mr S which he says he didn't receive. The letter said Mr S hadn't given Interactive Investor any details to say where the assets were to be transferred.

Mrs S's grandson created an account with another provider of investment services. Through that other provider he requested the assets held by Interactive Investor be transferred there. Interactive Investor received the transfer request on 11 August 2023. On 14 August 2023 Interactive Investor rejected the transfer request because, it said, the address information for Mrs S's grandson which the other provider had sent with the request didn't match the address information Interactive Investor held on file. Interactive Investor sent its rejection to the other provider and advised it to contact Mrs S's grandson so he could update his details and resubmit the request if he wanted to proceed.

In September 2024 Mrs S's grandson contacted the other provider and was told the assets from Mrs S's account hadn't been transferred.

Mr S wrote to Interactive Investor on 14 October 2024. He said Mrs S's grandson '*require[d] his shares to be held in a simple account which does not incur fees*' and he'd asked for a transfer more than a year previously, but Interactive Investor hadn't done the transfer. Mr S wanted to know what had happened to the shares that had been in the account.

On 14 February 2025 Mrs S's son re-sent his letter of 14 October 2024.

On 27 February 2025 Interactive Investor wrote saying it had failed to respond to Mr S's letter of 14 October 2024 and it would pay £80 compensation for that. It also said it couldn't discuss details of the account with Mr S because Mrs S's grandson had now turned 18 and was the owner of the account.

Mr S wasn't satisfied. He referred his complaint to this service. He said Interactive Investor had failed to transfer Mrs S's assets as requested. He wanted the assets transferred and fees waived.

One of our investigators looked into Mr S's complaint. He didn't think Interactive Investor had done anything wrong. In summary he said the following:

- Mrs S's grandson raised a request in August 2023 to transfer the assets in the account to himself, but Interactive Investor rejected it because the personal details in the request didn't match those held on file by Interactive Investor. After that Interactive Investor had received no further transfer request from Mrs S's grandson or the other provider. So the assets remained in the account that had been put in trust by the late Mrs S.
- In May 2023 Interactive Investor gave its final response to a complaint about Interactive Investor's service and fees made by Mrs S's son on 30 March 2023. When referring that complaint to this service Mr S mentioned matters he'd complained about to Interactive Investor in his first complaint in 2023. Information about those matters was useful background. But the deadline to refer those matters to this service for investigation had passed six months after Interactive Investor had replied to the complaint on 10 May 2023, in line with the rule at DISP 2.8.2R in the Handbook of the regulator, the Financial Conduct Authority (FCA). So the investigator hadn't considered the matters that Interactive Investor had dealt with under the first complaint.
- The investigator had asked Interactive Investor what was needed for the transfer to go ahead. Interactive Investor said required a further transfer request from Mrs S's grandson. The investigator's involvement wouldn't change the requirement for Mrs S's grandson to give an instruction. So the investigator had no recommendation to make.

Mrs S's son wasn't satisfied by the investigator's view. He said this service was set up to protect consumers but had ignored the evidence he'd submitted, and it was the job of Interactive Investor to help family members dealing with an estate at a difficult time, but it had ignored the fact that it had Mr S's address. He said that because of this Interactive Investor had been able to charge excessive fees which had virtually wiped out the value of Mrs S's shareholding and Mr S couldn't understand how this service could find in favour of Interactive Investor over a teenager.

Because no agreement could be reached, the complaint was passed to me to review afresh and make 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.

Having done so, I'm not upholding the complaint. I'll explain why.

The purpose of this decision is to set out my findings on what's fair and reasonable, and explain my reasons for reaching those findings, not to offer a point-by-point response to every submission made by the parties to the complaint. And so, while I've considered all the submissions by both parties, I've focussed here on the points I believe to be key to my decision on what's fair and reasonable in the circumstances.

I've considered all the evidence including everything submitted by Mr S. But I don't see that Interactive Investor failed to transfer assets when it ought to have done so.

In short, Interactive Investor wasn't provided with a transfer request it could have or ought reasonably to have acted on. When in 2021 Mr S initially contacted Interactive Investor he informed it of Mrs S's passing and asked what he should do. He didn't give, or attempt to give, instructions for the liquidation or transfer of the assets in the account at that point. But Interactive Investor had told him it would be able to take instructions after it had received the information it needed.

Interactive Investor has acknowledged that it then caused a delay by not telling its relevant team of Mrs S's passing. In compensation for that error it waived its account fees for the period of the delay plus three further months. And it offered a payment of £100. This matter was dealt with under Mr S's 2023 complaint. So it's outside the scope of my decision. For the reasons given by the investigator on this case it's not within my remit to make findings on the matters raised under Mr S's first complaint in 2023.

In 2023 Interactive Investor asked Mr S to show he had authority to give instructions on the account. In June 2023 Mr S sent the grant of probate from 2022 and re-sent the death certificate. He asked Interactive Investor to immediately transfer the account's shares to Mrs S's grandson. He didn't provide any details of the account he wanted the shares transferred to and so I can't conclude that Interactive Investor was at fault for not transferring the shares immediately at that point.

Mr S says he didn't receive the letter Interactive Investor wrote to say that it lacked account details for a transfer of the shares. But in any case Mrs S's grandson then created an account with another provider and in August 2023 the other provider contacted Interactive Investor to have the shares transferred to it.

Interactive Investor rejected the request that same month because the address details given in the request didn't match the details it had on file. It told the other provider to contact Mrs S's grandson so the inconsistency could be resolved. This wasn't an unusual or unreasonable step for Interactive Investor take in the circumstances. And I can't see that any further action was taken until September 2024 when Mrs S's grandson said he contacted the other provider and found the shares hadn't been transferred.

With all of that being the case, I can't conclude that Interactive Investor failed to transfer the assets in the account when it ought reasonably to have done so. And so it wouldn't be fair for me to require Interactive Investor to waive further account fees. While the account remained open with Interactive Investor it wasn't unreasonable for Interactive Investor to charge its fees as normal. Although Interactive Investor delayed responding to Mr S's October 2024 complaint, it had replied to the 2023 transfer request that was submitted by Mrs S's grandson via the other provider. And so I'm not persuaded it was a failing by Interactive Investor that prevented the transfer request from further progressing at that point.

Mr S said Interactive Investor had his correct address but ignored it. But it was Mrs S's grandson's address that was relevant to the transfer request. And it wasn't unreasonable that – before carrying out the transfer – Interactive Investor asked the provider that had

requested the transfer to resolve the discrepancy in the personal information it provided about Mrs S's grandson.

Overall I can certainly see how frustrating this experience has been for Mr S and Mrs S's grandson. But for the reasons I've set out I can't conclude that Interactive Investor has treated the estate of Mrs S unfairly or unreasonably. It's open for Mrs S's grandson to have the shares transferred to himself if that hasn't yet happened. And so I'm not requiring Interactive Investor to do anything different on this occasion.

### **My final decision**

For the reasons I've set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs S to accept or reject my decision before 16 February 2026.

Lucinda Puls  
**Ombudsman**