

## The complaint

Mr B has complained that Equiniti Financial Services Limited trading as EQi misinformed him about the terms of its share dealing account before he moved shares to it.

## What happened

Mr B had received overseas shares (which I will call 'M shares') from a matured Save As You Earn ('SAYE') scheme which were held with another third-party administrator. He was interested in opening an account with EQi and moving the shares into an EQi ISA. Having made enquiries with EQi about this he decided to move the M shares, and EQi confirmed to Mr B on 25 November 2024 that these were settled in an ISA.

Mr B sold a portion of his M shares on 27 November 2024. However he was unhappy to see that he'd been charged a total of £21.48 to cover dealing commission and a currency fee.

Mr B complained to EQi that when he'd enquired with it about setting up an account and moving the M shares, the customer service he'd received had been inadequate. He commented that he'd not been given accurate information so that he could make an informed decision about moving the shares. Mr B said that before transferring the shares, he should have been told that when he wanted to sell them, he'd be charged fees. Had he been told this, Mr B said it was unlikely he'd have moved the M shares to EQi. He also commented that when he'd initially enquired about setting up the EQi account he'd been told there would be no forms to complete, but this had not been the case.

Mr B asked that his account be credited with the transaction fees that would be incurred if he were to sell all of his M shares. He also requested compensation for distress and inconvenience.

EQi issued its response on 18 December 2024. It said that when the transfer of shares was being arranged, its staff had correctly told Mr B that there would be no entry fee for moving the shares into the EQi account, or exit fee for moving them out. EQi commented that if Mr B had asked about dealing charges or custody fees, it was confident that its staff would have confirmed these. It also said that its rates and charges were available online if Mr B had wanted to refer to them when he was setting up his account.

EQi did not consider it had misinformed Mr B about the forms which were required to set up its ISA. Although it said that it made no admission of liability, EQi refunded to the ISA the £21.48 charge incurred when selling the tranche of M shares, and it described this as a gesture of goodwill. EQi confirmed that Mr B was free to transfer to another provider at no cost.

Unhappy with EQi's response, Mr B brought a complaint to this service. He said that before he'd transferred the M shares into EQi, he'd asked it via both webchats and phone calls whether there would be any fees for transferring in shares and for withdrawing cash. He said he was told on multiple occasions that there would not be.

Mr B has said that he was never informed that in order to withdraw cash he would first need to sell his shares, incurring dealing commission and a currency conversion fee. Had this been explained to him, he said that he may not have opened the account and transferred in the M shares.

Summarising his complaint, Mr B said that EQi had failed to disclose all the relevant cost information relating to its account. He'd been told that there would be no charges for withdrawals from the account, but it had not been explained that selling the shares before withdrawal would incur fees. As a result Mr B said the account had been mis-sold, and he referenced the FCA's Consumer Duty, together with Principle 7 of the FCA's Principles for Business which states firms must communicate information "*which is clear, fair and not misleading*".

Mr B questioned whether by refunding the £21.48 of fees charged, EQi was accepting they'd been at fault when arranging the account for him. He asked that EQi be required to waive any costs he would incur selling his remaining M shares prior to withdrawing his funds. Based on the fees already incurred for selling the portion of M shares that he had, Mr B estimated that EQi should credit his account with about £105.79 to cover future selling fees. He said that transferring the M shares to another provider would not save him any money because he'd still need to sell the shares in order to access the funds.

Our investigator did not uphold this complaint. She noted that the M shares had initially been transferred into Mr B's EQi main dealing account, before being moved to the ISA, but did not think EQi had been at fault for this. The investigator was not persuaded that EQi had misinformed Mr B about the forms he'd need to complete to move his shares into an ISA.

In relation to fees applicable to the account, the investigator considered that EQi had accurately responded to Mr B's questions about this. She noted that in a webchat EQi had directed Mr B to its ISA pricing information available online, and her view was that EQi had made Mr B aware that there were dealing charges for selling shares. She considered EQi had provided adequate information for Mr B to make an informed choice about taking out the account.

Mr B did not agree with the investigator's findings. He confirmed his complaint was that EQi had failed to make it clear to him that in order to withdraw the proceeds from his M shares once they'd been transferred, he would need to sell them, and this would result in dealing and currency conversion charges. Mr B commented that he'd asked whether there were any entry or exit fees during a webchat on 31 October 2024 and EQi had said there weren't. He said it was reasonable to consider that his question about exit fees meant that he was enquiring about any charges that would be incurred when withdrawing funds from the account. Mr B said EQi had not explained to him that in order to withdraw cash he would need to sell the shares, and this would incur fees.

Mr B said that the way EQi had responded to his questions meant he could not make an informed choice about using its services, and he considered it had breached both FCA Principle 7, and also Principle 6 ("*a firm must pay due regard to the interests of its customers and treat them fairly*"). He reiterated that by offering to refund the charges of £21.48 which were applied when he sold some of the M shares, EQi had recognised that there were at least some failings in how it had communicated these charges to him. Mr B said that he had been misled about withdrawal costs, and he asked to be compensated for this.

Mr B asked that his complaint be passed to an ombudsman for 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.

Mr B considers that EQi did not clearly disclose to him the costs which would be incurred if he wanted to withdraw funds from his ISA. To assess this matter, I have considered the communications which took place between Mr B and EQi prior to the M shares being transferred into the ISA.

Mr B was in contact with EQi both over the phone and in webchats as he arranged to transfer the M shares into the ISA. On 31 October 2024 via a webchat he asked "*if I am going to transfer a company SAYE to EQi stocks and shares ISA are you really charging a £58.59 entry fee for over £5,000?*". The EQi representative responded "*we don't charge for a SAYE transfer in.*" When Mr B then asked "*what about exit?*", he was told that EQi does not charge exit fees.

In my view the responses provided by EQi to the questions raised by Mr B were clear, and it does not seem to me that these responses misled him in relation to transfer in fees and exit fees. Mr B has said that his questions about exit fees should reasonably have been interpreted by EQi as an enquiry about any charges that would be made if he were to withdraw funds. I have carefully considered Mr B's comments in this regard. However on balance my view is that the questions Mr B raised did not reasonably require EQi to disclose to him the fees that were applicable in the event that he chose to sell the M shares.

This webchat continued with Mr B saying: "*Pre-trade costs and charges for overseas equities, dealing online, held in a Dealing Account/ISA/Lifetime ISA/SIPP...and it shows £68.12 for anything over 5k*". The representative responded "*if you are looking at the Pre Trade aggregated cost this is guidelines for further costs and charges*". An online link was then provided for EQi's ISA rates and charges.

The online information confirmed that when trading international shares, both standard dealing commission and an additional fee would be charged. The terms and conditions of EQi's ISA were also available to Mr B when he set the account up, and these confirmed how overseas shares would be traded, and what potential charges could be applied. I note that Mr B has accepted that if he were to move the M shares away from EQi to another provider, he would still need to sell the shares in order to access cash. In my view there was no obligation on EQi to explain to Mr B before he set up the account that in order to withdraw cash from his ISA, he would first need to sell the M shares.

On 4 November 2024 Mr B contacted EQi via another webchat to ask for assistance completing forms that would move his M shares from the SAYE third-party administrator. At the end of the chat, he said "*your colleague confirmed the other day there is no fee when transferring my SAYE...into EQi and no fee should I choose to withdraw from my ISA*". The representative responded that this was correct and that "*there is no fee to transfer in and when you withdraw cash from the ISA there is no fee charged.*"

Again my view is that the information EQi gave Mr B was not misleading. When taking cash out of the ISA, no fee would be applied. Mr B is unhappy because in order to realise cash from his M shares, he needed to sell them, and the sale did incur fees. But Mr B's questions were not about how the sale of shares was carried out, and whether such sales incurred fees. And in my view, it was not unreasonable of EQi to answer the questions Mr B raised in the way that it did, because on balance I do not consider it would have been apparent to EQi that Mr B was seeking to understand what fees were applicable to sales of shares. It seems

to me that the questions put to EQi were about whether charges applied when shares were transferred into the ISA, and whether exiting the ISA itself would incur charges.

Mr B has highlighted that EQi offered to refund charges of £21.48 incurred when he sold some of his M shares, and he has suggested that this demonstrates that EQi accepts it was at fault when giving him information about the ISA prior to the share transfer. I acknowledge what Mr B has said, but overall I do not consider that EQi did mislead him in its representation of the ISA terms. It seems to me that the offer to refund the charges was for the reason that EQi said, this being that it was a gesture of goodwill. On balance my view is that making this offer does not mean that EQi should be required to cover the dealing costs that Mr B will incur selling the remainder of his M shares.

Mr B has suggested that EQi has breached its regulatory obligations, referring to the need for businesses to give clear, fair and not misleading information, and to pay regard to the interests of its customers. As explained above, I'm satisfied that EQi did give sufficiently clear information about the ISA prior to Mr B transferring the M shares to it. I'm also not persuaded that in its interactions it failed to pay due regard to Mr B's interests, taking into account its role as an execution only share trading platform.

In conclusion my view is that EQi acted fairly in its interactions with Mr B when he was exploring the possibility of moving his M shares into the EQi ISA. I appreciate that Mr B will be disappointed with my findings, but for the reasons explained, I do not consider EQi should be required to pay compensation to him.

### **My final decision**

My final decision is that I do not uphold this complaint, and I make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 16 March 2026.

John Swain  
**Ombudsman**