

## The complaint

The estate of Mr A has complained about how Trading 212 UK Limited handled the closure of Mr A's share trading ISA after his death.

The complaint has been brought by Mrs A on behalf of the estate as Mr A's wife and executor of the estate.

## What happened

I have previously issued a provisional decision regarding this complaint. The following represents excerpts from my provisional decision, outlining the background to this complaint and my provisional findings, and forms part of this final decision:

*"Mr A held a number of open share trading positions in his ISA with Trading 212. Sadly he died in November 2024 and Mrs A informed Trading 212 about this later that month. Mrs A also held an ISA with Trading 212 and she explained that her intention was for Mr A's account to be transferred to her name and to maintain its tax-free status.*

*In her subsequent correspondence with Trading 212, Mrs A expressed frustration about a lack of clarity from the business when explaining how this matter would be progressed. In an email on 28 November, Trading 212 said that the positions in Mr A's account could remain open until Mrs A confirmed she wanted to close them and withdraw the funds. Trading 212 confirmed that it required a copy of the death certificate, and this was forwarded by Mrs A on 5 January 2025.*

*Further emails were exchanged relating to how the Additional Permitted Subscriptions ('APS') facility could be used so that the funds from the account retained their ISA status when passed to Mrs A as the surviving spouse. On 18 January Mrs A sent Trading 212 the grant of probate together with identification for her and evidence of her bank account.*

*On 22 January Trading 212 told Mrs A that it had deposited just over £85,000 into her bank account, and that these funds could be moved into a cash or stocks and shares ISA. This was the result of Trading 212 selling all the holdings in Mr A's account. Mrs A emailed saying that it had previously been agreed that the parties would decide a sale date together, rather than the business setting the sale date by itself. Trading 212 said that it had followed its correct procedure and Mrs A responded that she wished to raise a complaint.*

*On 24 January Trading 212 apologised to Mrs A that it had misinformed her about how its death claim process worked. It said that term 33.9 of its account required open positions to be closed once proof of death had been received. Trading 212 offered £300 compensation for inconvenience caused, and it asked Mrs A to confirm if she accepted this offer within 7 days.*

*Mrs A did not accept this offer and set out further details of her complaint. She explained that when contacting Trading 212 following her husband's death her aims were both to retain the ISA status of the funds and to ensure the holdings were sold on her instruction, rather than at a date selected by the business. This was because the stock could vary in price, and*

there was also the risk of exchange rate volatility. Mrs A highlighted emails Trading 212 had sent on 28 November and 15 January which reassured her that she would be able to instruct the sale of stock.

Mrs A was unhappy that Trading 212 had set a deadline of 7 days for her to accept its £300 offer. She also said that on 23 January Trading 212 had messaged her husband's email account saying that there was a problem with a withdrawal request he'd made. In light of this email being sent, Mrs A questioned the effectiveness of Trading 212's systems.

Trading 212 issued its formal complaint response on 31 January. It accepted that it had caused Mrs A distress and inconvenience, and it said it had been in error when telling her that she could choose when to sell the stock. Trading 212 said that it did not consider it had caused the estate a financial loss because if it had not misinformed Mrs A, it would have told her the correct process, this being that the open positions would have to be closed down upon receipt of the proof of death.

Trading 212 also apologised that an email had been sent to Mr A. It said this was automated and had been triggered by a pay out of residual interest under Mr A's cash ISA. It accepted that this should not have been sent, and had caused Mrs A further distress. With regard to the time limit set on accepting the £300 offer, Trading 212 said that this had been made in good faith. It said that it was now offering Mrs A compensation of £400.

Unhappy with Trading 212's response, Mrs A brought a complaint to this service. She said she'd been misinformed by Trading 212 on a number of occasions about the process for closing Mr A's account. Mrs A said Trading 212 had been both insensitive and inefficient in its handling of the account closure, causing her distress and anxiety when she felt at her most vulnerable. She explained that Trading 212 was still communicating with her husband's email account. She also commented that Trading 212 had given her the impression that if she brought a complaint to this service she would not achieve a different result, and she felt this was intimidation.

Mrs A highlighted that when she'd asked Trading 212 to plan with her about how she could ensure Mr A's stock was sold on the date she wanted, it had checked this and then reconfirmed that it could sell when Mrs A instructed it to. She also disputed that Trading 212 had not caused a loss to the estate, saying that if she'd been given accurate information, she could have timed the submission of paperwork "to take better advantage of the sale window". Mrs A identified what she said were two of Trading 212's major failings, these being that it had no bereavement team, and that staff did not understand the APS transfer rules.

Mrs A asked that Trading 212 be required to better train its staff about its own processes, and about how to handle sensitive situations relating to bereavement. She suggested that Trading 212 should have a specialist bereavement team, and should review its systems to prevent communications being sent to deceased customers. Mrs A forwarded emails sent by Trading 212 to Mr A's account in April and May 2025 which she explained were very upsetting. She requested compensation for losses she said had been caused by Trading 212 giving her incorrect information that resulted in Mr A's stock being sold too early.

As part of its submissions for the complaint, Trading 212 confirmed that funds in Mr A's account had been transferred to another provider using the APS allowance. However it said an outstanding balance remained in Mr A's cash ISA that was accruing interest, and this was why his account continued to receive emails. Trading 212 said it was arranging to transfer these funds to Mrs A and that it would then close Mr A's account.

*Our investigator commented that this service's role was not to direct a business to change its processes, such as setting up a bereavement team, as this was a matter for the Financial Conduct Authority ('FCA') as industry regulator. The investigator agreed that Trading 212 had misinformed Mrs A that she could provide instructions about when Mr A's stock was to be sold. He also agreed that on occasions Trading 212's staff had not read what had been said to Mrs A in earlier communications with her before responding to her queries, causing Mrs A frustration and upset.*

*However the investigator said that in closing the open positions in Mr A's account when it had, Trading 212 had acted in line with the account terms. As a result he did not consider he could propose compensation for the stock being sold when it was. In terms of distress and inconvenience Trading 212's communications had caused, the investigator said that the eligible complainant in this case was the late Mr A, and that Mrs A was acting as a representative of Mr A's estate. As our rules only allow us to consider the impact a business' mistakes have made on an eligible complainant, rather than on their representative, the investigator said he could not recommend that Trading 212 increase its offer of compensation to Mrs A from £400.*

*The investigator did ask that Trading 212 ensure that no further emails be sent to Mr A's account, and instead send them to Mrs A as representative of Mr A's estate. He also proposed that Mrs A be given a single point of contact within Trading 212 until Mr A's remaining funds were transferred and his accounts closed.*

*In response Mrs A referred again to the content of Trading 212's emails on 28 November and 15 January. She said she'd sought reassurance that the holdings would not be sold until she'd requested this, and commented that HMRC rules gave her three years from Mr A's death to close his ISA. Mrs A said that if she'd been given correct information about the account terms, she would not have submitted the documents required to close the ISA until she was ready for the holdings to be sold. She noted that share prices had risen after Trading 212 sold the stock, and consequently she said that the sale had caused a financial loss.*

*Taking into account these further comments the investigator said that, whilst he accepted that if given correct information Mrs A would have delayed sending in the paperwork to close the ISA in the hope of achieving an optimum sale price, he could not be certain this approach would have been successful. As a result he was not persuaded that the incorrect information given by Trading 212 had caused the estate a financial loss.*

*Mrs A responded that the estate had been financially disadvantaged by Trading 212 selling the ISA holdings when it did. She quoted values of the FTSE 100 and S&P 500 to show these had risen since the stocks were sold, and commented that past trends indicate markets likely improve over a three year period. Mrs A said that Trading 212's incorrect information had taken away her opportunity to maximise the value of the stock, and she commented that this was one of her prime roles as executor of the estate. If given accurate information Mrs A reiterated she would not have sent in the paperwork that resulted in the sale of stock occurring.*

*Following further correspondence between Mrs A and the investigator, it was confirmed that this complaint would be passed to an ombudsman for review.*

*Having reviewed the submissions made I asked Trading 212 to clarify certain issues. I noted that account term 33.9 required open positions to be closed upon receipt of the official proof of death. As it seemed likely to me that the death certificate would represent such proof, I questioned whether Trading 212 had sold the holdings on receipt of this document, or whether they were sold when the grant of probate was sent in by Mrs A, which appeared to*

be the case. In the event that the sale of the holdings had been on a date not in line with term 33.9, I said I would likely require Trading 212 to calculate whether this had caused the estate a financial loss.

Trading 212 responded that the official proof of death referred to in term 33.9 was indeed the death certificate. As this was received on the evening of 5 January 2025, it said the order to close the open positions should have been placed on 6 January. What in fact happened was that the sales were triggered when the grant of probate was received on 18 January. However Trading 212 forwarded calculations showing that as a result of its error the estate was about £40 better off, thus indicating it had not caused a financial loss.

### **What I've provisionally 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 full wording of term 33.9 states: "Immediately in the event of Us receiving official proof of the death of the Client, we shall close any open Positions of the Client irrespective of their current result and hold any Client's assets in custody until we are presented with official evidence of the legal successors of the deceased Client and concrete instructions by an authorised person on how to proceed thereafter."*

*In my view the terms are clear in that once Trading 212 has official proof of death, it will sell the positions held in the account and hold these funds whilst it waits for instructions from the representatives of the estate about where these should be directed.*

*Trading 212 has confirmed that it is the death certificate that is considered to be the official proof of death, and I consider it is reasonable to expect that this would be the case. It received the death certificate on 5 January, and Trading 212 accepts that this should have triggered the sale of Mr A's holdings. But instead, the sale of the holdings was triggered when Trading 212 received the grant of probate. This was an error by Trading 212 as it was not acting in line with its account terms. However, its calculations show that this delay in selling the holdings did not cause the estate a financial loss.*

*Mrs A's complaint relates to the communications she received from Trading 212 about how the account would be closed following Mr A's death. In particular she says that she was told she could decide when the holdings would be sold. Had she been given accurate information by Trading 212 about its process for the sale of stock of a deceased customer, Mrs A says she would have timed the sending in of documents that triggered the sale of stock to optimise the sales proceeds that would be received.*

*I have considered the correspondence Mrs A had with Trading 212 after she informed it on 25 November 2024 that Mr A had died. Mrs A asked what paperwork was required, and whether Trading 212 needed her to go through the probate process. She added that her intention was "to transfer the ISA into my name and NOT withdraw it."*

*On 28 November Trading 212 stated that it needed documents relating to Mr A's death in order to progress matters. It also stated: "We can have the positions remain open while the account remains restricted from further trades or deposits and you can notify us when you want us to close the positions and withdraw the funds." As Mrs A has said, and Trading 212 has accepted, this information was inaccurate because the terms of the account required open positions to be closed once proof of death was provided.*

*In further correspondence around this time, Mrs A said that Trading 212 was not explaining her options, including how she could retain the funds within an ISA wrapper. In answer to her*

question about whether she could attach the death certificate to an email, Trading 212 confirmed that she could on 29 November. It also said: "Without your collaboration we could not continue further with your late husband's account." Whilst I do not consider this sentence is entirely clear in its use of the word 'collaboration', in my view the email does explain that in order to settle matters relating to Mr A's account, Trading 212 required the death certificate to be sent to it.

It does not appear that there was any further correspondence between the parties until the death certificate was forwarded by Mrs A on 5 January 2025. Following this, the parties discussed how the APS process could be used to ensure that the funds remained in an ISA wrapper. Trading 212 said that amongst the documents it required were the grant of probate. Mrs A confirmed that she understood the stock would need to be sold, with the cash then being available for her to place in an ISA in her own name.

On 14 January Mrs A asked: "I would however prefer to sell the funds down at a certain point, not at the worse possible time (value wise) so how can this be planned together?". Trading 212's response on 15 January stated: "It would be possible to accept instructions from you regarding the closure of positions". In a further email on the same day it repeated its comment that the investments would be sold after obtaining Mrs A's instructions.

It is clear that Trading 212 misinformed Mrs A that she could decide when the stock held in Mr A's account was sold. In circumstances like this I need to determine what, more likely than not, would have happened if Trading 212 had given Mrs A accurate information.

Within its emails sent in November 2024, Trading 212 confirmed to Mrs A that it needed to be sent the death certificate in order to finalise matters relating to Mr A's account. In my view what Trading 212 should have said to Mrs A at the same time was that based on the account terms, sending in the death certificate would automatically trigger the sale of stock held.

Mrs A has said that if she'd been given accurate information by Trading 212, she could have chosen when to send in the documents that triggered the sale, and therefore timed the sale of the stock to maximise its value. Mrs A has commented that Trading 212 caused the estate a financial loss as it took away her ability to do this. I have carefully considered what Mrs A has said in this regard. On balance I'm not persuaded that events would have proceeded in the way that Mrs A has described them if she'd been given accurate information.

I say this because Trading 212 had made it clear to Mrs A that it needed to be sent the death certificate in order to carry out the necessary actions to finalise Mr A's account following his death. It is entirely understandable that Mrs A would want the stock held to be sold at a favourable price. However it seems to me that if it had been properly explained to her that the death certificate needed to be sent in so that matters could be finalised, and that this would trigger the stock sale, Mrs A would have arranged to have done so promptly, rather than held the document back in the hope that the price of the stocks would increase. That's because I consider that the primary objective was to settle Mr A's estate.

I also consider that if it had given Mrs A clear information about its process for deceased customers, Trading 212 would reasonably have told her that the estate did not have a choice about when the stock would be sold because the terms required a sale when the business received the death certificate. In those circumstances, I consider that Mrs A would have understood the need to send the death certificate so that the closure of Mr A's account progressed.

In addition, whilst I acknowledge what Mrs A has said about the way the markets rose in the months following Mr A's death, 'timing the market' to achieve the highest selling value can

never be guaranteed. As a result, deliberately delaying the sale of the stock would have carried a risk to the estate's value.

*In summary on balance I consider it likely that Mrs A would not have delayed sending in the death certificate in order to speculate on future stock prices if she'd been given accurate information from Trading 212 about the death claim process. Mrs A was able to send Trading 212 the death certificate on 5 January 2025. She sent it not knowing that this would trigger the stock sale. But, for the reasons explained above, I consider that if she'd been properly informed by Trading 212 that this would cause the sale, Mrs A would still have emailed the death certificate on 5 January.*

*This being the case, my view is that if Trading 212 had given Mrs A clear information about the death claim process, the stock would have been sold following receipt of the death certificate on 5 January. A further error by Trading 212 meant that the sale did not occur until Mrs A had sent in the grant of probate, around two weeks later. However, based on the calculations Trading 212 has recently carried out, this delay in selling the holdings does not appear to have caused a financial loss to the estate. In the circumstances, my current view is that neither the provision of inaccurate information by Trading 212 nor its failure to sell holdings once the death certificate was received have caused the estate a financial loss.*

*Mrs A has referred to HMRC rules giving her three years to close Mr A's ISA. She has described this as providing a window within which she could decide when to trigger the sale of the stock held. I believe that Mrs A is referring to the rules relating to APS, under which HMRC allows three years after an account holder has died for their spouse to make an APS cash subscription. My understanding is that this three year rule is in place to ensure the APS allowance is used within a reasonable period of time. However in my view this three year window to use the APS allowance was unrelated to the need to send in the death certificate to Trading 212 to progress the closure of Mr A's account. I don't consider the three year APS window reasonably gave Mrs A this amount of time in which to trigger the stock sales by sending in the death certificate.*

*As part of her complaint, Mrs A has also highlighted her unhappiness with the way in which Trading 212 handles the bereavement process. She says that she rarely received emails from the same staff member and felt that she was consistently having to explain the same circumstances relating to the death claim to different people. Mrs A has commented that staff had a poor understanding of the process for deceased customers, including how the APS allowance could be used, and that there was insensitivity and inefficiency in handling Mr A's account closure.*

*The investigator has explained that it is the role of the FCA to regulate businesses, and that this service does not have the power to direct a business about the way that it generally runs itself. Consequently we would not instruct a business to set up a bereavement team to handle the closure of all accounts held by deceased consumers.*

*In terms of the poor level of service Mrs A says she received from Trading 212, as the investigator has also explained, when bringing a complaint on behalf of an estate, this service would not compensate the executors for any personal difficulties or upset they've been caused by a business' errors. That's because the eligible complainant in the case is the deceased consumer/estate. I will therefore not be making a finding on the £400 compensation offer that Trading 212 has made to Mrs A. However I can confirm that Trading 212 has said that this compensation offer is still available to Mrs A if she wants to accept it.*

*The investigator proposed that Mrs A be given a single point of contact within Trading 212 until Mr A's remaining funds have been transferred and his accounts closed. I do not know what stage the closing of Mr A's accounts has reached, but I would agree that a single point*

*of contact should be arranged for Mrs A whilst this matter is finalised. Trading 212 has confirmed that it can arrange this.*

*I would also agree that Trading 212 should ensure that no further emails are sent to Mr A's account, and that instead these should be sent to Mrs A, as executor of Mr A's estate.*

*I appreciate that Mrs A will likely be disappointed with the findings outlined in this provisional decision. However, based on the evidence provided, I currently do not consider that it would be reasonable to require Trading 212 to pay to Mr A's estate the compensation that Mrs A is seeking."*

### **Responses to my provisional decision**

Mrs A expressed surprise that I'd agreed Trading 212 had misinformed her about the account terms but I'd not asked it to pay the compensation she'd requested. However she noted that Trading 212 had confirmed its offer of £400 to her was still available, and she indicated that she wanted to accept this.

Trading 212 commented that it had accepted it was an error to have sent multiple emails to Mr A's email account. It said that around the time that this matter started to be treated as a complaint, a single point of contact was already handling correspondence with Mrs A. However it said that it was "*unable to guarantee with absolute certainty that no other person would respond to her if she starts a new contact chain via email, and especially via chat.*" It confirmed that once this complaint was closed, it could make it clear to Mrs A that to ensure the same person fields all contact with her, she should use the same email chain.

### **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, and taking into account the replies to my provisional decision, whilst I appreciate that Mrs A remains disappointed with the outcome, I do not consider that I have reason to alter the conclusions reached in that provisional decision.

Trading 212 should now liaise with Mrs A regarding payment of the £400 compensation it has offered. In light of Trading 212's further comments about how to ensure that Mrs A retains the same point of contact for her correspondence with it, Trading 212 should directly explain to Mrs A how best this can be achieved.

### **My final decision**

My final decision is that I require Trading 212 UK Limited to give Mrs A a single point of contact within the business until Mr A's remaining funds have been transferred and his accounts have been closed. It should also ensure that no further emails are sent to Mr A's account, and that instead these are sent to Mrs A, as executor of Mr A's estate.

I make no other award.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr A to accept or reject my decision before 24 February 2026.

John Swain  
**Ombudsman**