

The complaint

Mr D complains about the service he received from Invesco Fund Managers Limited (“Invesco”). Mr D feels that he has not been paid certain distribution payments that are owed to him, and he is unhappy about the difficulties he feels he has faced in trying to receive payment by bank transfer.

Mr D has been represented throughout this complaint. For ease, I’ll refer to the representative’s actions as Mr D’s own.

What happened

The late Mrs D had made certain investments via a trading account with Invesco. This included shares held in a Personal Equity Plan (“PEP”) and units in an Investment Company with Variable Capital fund (“ICVC”) – specifically the European Equity (UK) Income Shares Fund (the “Fund”). The Fund paid one distribution per year on 31 December.

Mrs D passed away in 2007 and in 2009 the executor of Mrs D’s estate, Mr D’s brother, informed Invesco of this and requested that Invesco update their records accordingly. Subsequently, Invesco ensured that all future correspondence regarding Mrs D’s investments were sent to the executor.

Invesco sent distribution cheques deriving from the Fund to the executor. These cheques were made payable to the estate of Mrs D. It also sent information about Mrs D’s PEP investments.

Further, in October 2022, Invesco wrote to the executor explaining that the late Mrs D still had investments and cash with Invesco and they sought instruction on what to do with them.

In May 2024, Mr D contacted Invesco informing it that Mr D wished to transfer the late Mrs D’s account into Mr D’s name. Invesco provided information on the outstanding distribution payments and, as accepted by all parties, suggested Mr D would be entitled to receive pre-2018 distribution payments from the Fund. Invesco later sent across to Mr D the necessary forms for the transfer.

On 25 June 2024, Mr D submitted the request for transfer (which had been signed by the executor) with instructions to transfer the shares and make all the historic distribution payments to Mr D. The distribution payments were requested to be paid via bank transfer directly into Mr D’s bank account. The transfer of all holdings was completed on 1 July 2024. The next day, Mr D asked when payment of the distributions would take place. He was informed this would be in 10 business days. As it happens, he received a letter from Invesco the same day confirming that £802.83 for distributions covering the period from 2018 to 2023 was outstanding and payable to Mr D. Invesco subsequently sent two cheques to Mr D, one that covered PEP payments (£197.01) and another that covered Fund distribution payments for the period 2018 to 2023 (i.e. £802.83).

In early August 2024, Mr D queried why he had not received distributions predating 2016 and had several communications with Invesco about the matter. On 9 August 2024, Mr D

raised a formal complaint in respect of not receiving pre-2016 distribution payments (Mr D complained about pre-2016 instead of pre-2018 distributions because he mistook the PEP payment check as being Fund distribution payments covering the period 2016 to 2017). He also complained about distributions being issued by cheque instead of being paid by bank transfer as originally requested by him. Mr D also requested information on what had happened to the outstanding pre-2016 distribution payments.

Invesco issued a final response letter on 19 September 2024, informing Mr D that as the pre2018 distributions had remained unclaimed for over six years they were returned to the Fund. It apologised for the incorrect information it had provided about this and offered to pay £150 compensation for distress and inconvenience.

Mr D referred his complaint to this Service, in which he (1) requested payment of the pre2016 distribution payment, (2) generally complained about the delays in resolving these issues, and (3) requested information on what had happened to the outstanding pre-2016 distributions. Mr D sought compensation for lost growth of investments, financial loss in time chasing the matter and for the stress this had caused.

Our investigator did not uphold Mr D's complaint, concluding that Invesco had made no errors, that Invesco had made numerous attempts to contact Mrs D's estate about her investments, and that Invesco was entitled to return the pre-2018 unclaimed distribution payments to the Fund and this right was specified in its Standard Terms and Conditions.

Mr D did not accept our investigator's conclusions and asked that the matter be reviewed by an Ombudsman. Further, Mr D clarified that he wanted evidence that, and details of when, the unclaimed distribution payments were reinvested back into Mrs D's / Mr D's account as shares in the Fund. Invesco reiterated that the unclaimed distributions were sent back to the Fund and that they were unable to comply with Mr D's request.

As an agreement couldn't be reached, the complaint was referred to me for an Ombudsman's decision. I issued my provisional decision on 13 January 2026. I've included an extract from it below.

"Mr D's complaint regarding method of payment"

As mentioned, Mr D has complained about Invesco sending two cheques instead of paying the sums owed by bank transfer.

In Invesco's 11 April 2025 letter to this Service, it indicated that in order for it to effect an instruction that all payments be made by bank transfer it would need to verify the recipient account and that verification was done through the provision of certain specified documentation.

Invesco has since provided a copy of the transfer form Mr D completed, and it clearly states at section 04 that in the event the client wishes to receive payment by bank transfer bank account details must be verified and that acceptable verification documents are either (a) an original voided cheque, (b) an original or online bank or building society statement or (c) an original paying in slip.

Unfortunately, it appears that Mr D provided a certified copy of his bank account statement instead of an original as specified in the transfer form and it was because of this that Invesco was unable to comply with bank transfer instructions. However, given Mr D was a vulnerable customer with significant health issues who would likely have had difficulties depositing cheques himself, I consider Invesco missed an opportunity here to contact Mr D after receiving his transfer form and remind him of its strict requirement for an original bank

account statement if he wanted to receive the funds by bank transfer.

So whilst I'm satisfied that Invesco acted in accordance with its own policies, of which it made Mr D aware, Mr D has told us that if he had been reminded he would have provided the correct document. So I do think Invesco's actions here did cause Mr D some unnecessary inconvenience, particularly given his health issues. I have kept this in mind when considering a suitable level of compensation in this case.

The claimed outstanding distributions

With respect to Mr D's complaint about pre-2016 Fund distribution payments, again, I think Invesco have acted appropriately.

As indicated above, in actual fact Mr D has only been paid disbursement for the period from 2018 onwards. The other cheque covers PEP payments which were held by Invesco in a client money account for the late Mrs D.

With respect to the pre-2018 disbursements, these were unclaimed for over 6 years, and Invesco was within its rights (and indeed was under an obligation) to return these to the Fund.

The Collective Investment Schemes sourcebook, which sets our rules for the day-to-day operation, management, and constitution of authorised funds, states at COLL 6.8.4 (which is applicable during the time period in question) the following:

"Any distribution remaining unclaimed after a period of six years, or such longer time specified by the prospectus, must become part of the capital property".

This regulatory requirement was signposted in Invesco's Standard Terms and Conditions, which states at Clause 15.4(c):

"Distributions paid by the Depository will be returned to the relevant Fund if they remain unclaimed by you for a period of six years. We will have no obligation to pay such sums back to you in the event that you seek to claim the money in the future."

This confirms that according to applicable financial regulations and Invesco's Standard Terms and Conditions Invesco acted appropriately in returning the disbursements to the Fund.

The executor of Mrs D's estate had an obligation to deal with Mrs D's assets and I note that the executor must have had some awareness of Mrs D's investments as they contacted Invesco to inform it of her passing.

Moreover, following this, Invesco made numerous attempts to reach out to the executor of Mrs D's estate.

- Most importantly, they sent Fund distribution cheques for a number of years from 2012 to 2014, which I have had sight of, that ought to have made clear to the executor that distributions were payable. Specifically, in 2012 a cheque for £73.62 by way of disbursements was sent to the executor and made payable to "The estate of [Mrs D]". The same applied in 2013 for £58.60 and 2014 for £109.48.
- Numerous annual statements were sent to the executor regarding money belonging to Mrs D that were held in Invesco's Client Money Account.

- Cover letters that went with the annual statements clearly alluded to the six-year time-limit, stating that if the distribution cheques were “sent to you less than 6 years ago, the money is still due to you”.
- Invesco also sent the executor a letter in 2022 in which it stated that its “records indicate [Mrs D] still [has] investments and/or cash with Invesco” and sought instructions on the investments.

It is unfortunate that the executor did not respond and provide instructions to Invesco as to what to do with Mrs D’s assets.

As mentioned, Mr D has sought confirmation that the pre-2018 disbursements were returned back to Mrs D’s / Mr D’s account in the form of shares and has generally sought proof as to what happened to those monies and when. However, I wish to clarify that pursuant to the above-mentioned regulatory obligations and its Standard Terms and Conditions, Invesco returned those unclaimed distributions back to the Fund to become part of its capital property and as such Mr D has no claim over those disbursements whether that be in the form of cash or share equivalents. In essence, they were forfeited following the expiry of the six-year time limit.

Invesco has stated that it does not have any evidence that it can share with Mr D that confirms when a distribution is returned to an ICVC. However, based on the available information, I am satisfied that the distributions were returned to the Fund and so I can’t conclude that Invesco has acted unreasonably in not fulfilling Mr D’s request.

It follows therefore, that in not paying the unclaimed pre-2018 distribution payments, I consider Invesco acted fairly and reasonably.

Invesco’s handling of Mr D’s queries

I do think however that in its dealings with Mr D, during the period from May to September 2024, it likely did cause him distress and inconvenience.

In May 2024, as Invesco has accepted, it incorrectly suggested to Mr D that even the pre2018 distributions from the Fund would be paid to Mr D following the transfer. I’m satisfied that this created an expectation on the part of Mr D that he would indeed receive those disbursements.

Following receipt of the above-mentioned two cheques, Mr D contacted Invesco in August 2024 querying why Mr D had not received pre-2016 disbursements (again, Mr D did not query pre-2018 disbursements because he had mistakenly assumed that the PEP cash payment was Fund disbursements for 2016 and 2017). I’m satisfied that Invesco again advised (per Invesco’s final response letter) that those earlier disbursements would indeed be paid to Mr D. Thus, Invesco yet again provided incorrect information and contributing to Mr D’s expectation that he would be receiving the additional disbursement.

Further, Invesco has accepted during this period, that Mr D asked to be contacted by telephone and email and whilst Invesco agreed to do this, they did not follow through, which I appreciate must have been a source of frustration for Mr D as this likely slowed down the resolution of the matter.

It was only when Invesco issued its final response letter on 19 September 2024 that it was conveyed to Mr D that he would in fact not be receiving any pre-2018 disbursements as these had been returned to the Fund.

I think, given the fact Invesco failed to follow through on promises to contact Mr D, that he was repeatedly given incorrect information which created a false expectation that was ultimately dashed and caused Mr D repeatedly to pursue updates and clarification, I'm satisfied that Mr D suffered distress and inconvenience."

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.

Invesco has written to this Service to confirm its acceptance of my provisional decision. No response has been received from Mr D.

As neither party has provided any information to challenge my provisional findings, I see no reason to depart from my provisional decision. So having reconsidered everything provided, I'm upholding the complaint in line with my provisional findings which now form part of this final decision.

Putting things right

Considering the distress and inconvenience caused to Mr D overall, I conclude that Invesco Fund Managers Limited should increase the level of compensation it's offered to £300.

This reflects the fact that the impact of its actions caused Mr D disappointment, loss of expectation and inconvenience over a period of time.

My final decision

My final decision is that I uphold this complaint in part and direct Invesco Fund Managers Limited to put things right as I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 2 March 2026.

Zaib Malik
Ombudsman