

The complaint

Mr Z complains about how IG Trading and Investments Limited (IG) put things right, in relation to an Exchange Traded Fund (ETF) that had delisted. He said its actions, resulted in a significant financial loss.

Mr Z would like IG to pay him compensation for his financial losses.

What happened

Mr Z held 14 units in the Amundi MSCI World Energy UCITS ETF in his IG stocks and shares ISA account. In November 2023, Mr Z became aware that his ETF had been delisted from the London Stock Exchange and he was unable to sell them. He raised a complaint with IG about this.

IG responded to Mr Z and accepted that it hadn't handled matters as it should have. It said it should have given Mr Z the option to either sell or move his investment before it was delisted. It said to put things right it would pay Mr Z £300 for the distress and inconvenience it had caused and suggested to him that he could move his investment to another broker or platform where he could sell them.

Following this, Mr Z remained in contact with IG about his holding could be dealt with and looked into whether the holding could be transferred to another broker. Mr Z though, was unable to find another broker that would accept the ETF, and instead he said he was asked to sell it first and transfer the cash, something he wasn't able to do.

In December 2024, after further discussion with Mr Z, IG agreed to instead give him what it thought was a like for like investment. It said it could give him an equivalent holding for an ETF fund that it did hold on its platform, with the same fund manager. Mr Z agreed and it went ahead and did this.

Mr Z has provided a statement from IG from October 2024, that shows his original holding held a value of £4,479.65. After IG had carried out its remedial action, Mr Z could see on his statement in December 2024, a holding for 14 units in a different ETF fund with the same fund manager, but the value was for £52.18.

Mr Z complained to IG about the significant reduction in value. He says IG has made a mistake in how it has put things right here and has not explained why it has not carried it out on a like for like basis, instead just giving him the same number of units.

IG didn't respond to Mr Z's second complaint, so he referred it to our service. IG said to our service that it didn't think Mr Z's complaint was in our jurisdiction to look at. This is because Mr Z hadn't referred his complaint to us within six months of its final response to him in 2023.

An investigator looked into Mr Z's complaint and upheld it. He said Mr Z's complaint was within our rules to look into, because he was complaining about events that happened in December 2024, when IG looked to put things right. The investigator went on to look at the merits of Mr Z's complaint and said IG hadn't put Mr Z back in a position, but for the mistake

it said it made. He said IG should pay Mr Z more units, equivalent to the value of his original holding, plus any investment gains made since.

IG did not respond to the investigator's view and so because the parties are not in agreement, Mr Z's complaint has been passed to me, an ombudsman, to look into.

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.

First of all, I have looked at the jurisdictional issue raised initially by IG. It felt that Mr Z's complaint fell outside our jurisdiction, referring to its final response letter of 12 December 2023 and our rules, that a complainant should refer their complaint to our service within 6 months of receiving a response from it. I note that it hasn't rebutted the investigator's view that we can look at Mr Z's complaint. But in any case, I don't agree with its stance here and that is because the complaint I'm deciding is not about IG's handling of matters in 2023, or the issues addressed in its final response from 2023 either. Instead, it concerns IG's actions in December 2024, when it attempted to put things right, by giving Mr Z 14 units in a replacement ETF fund, that it said was like for like.

Mr Z's complaint about this, is a separate complaint point that he made and then referred his concerns to our service in time. He did so, after not receiving a response from IG about it. So, I'm satisfied that Mr Z's complaint about this is within our jurisdiction and I've gone on to consider this on its merits.

Having done so, I have independently reviewed Mr Z's complaint and have arrived at the same outcome as the investigator, for broadly the same reasons. I will explain why.

The key issue I have needed to decide is whether IG acted fairly and reasonably when it removed Mr Z's delisted holding and replaced it with an ETF that was still accepted on its platform with the same fund manager.

IG agreed to do this on a 'like for like' basis, meaning that the replacement investment should have reflected the same cash value as Mr Z's original holding at the time of the transfer. IG had admitted it had made a mistake and had committed to putting things right for Mr Z, but I don't think its actions did this, instead it made Mr Z materially worse off as a result.

The evidence provided that I have seen shows that:

- Before IG's remedial work in October 2024, Mr Z held 14 units of the original ETF with a value of £4,479.65; and
- After the remedial work in December 2024, he held 14 units of a replacement ETF with a value of £52.18.

I think, on balance, the reduction in value occurred as a result of IG's actions. It wasn't caused by any market movements or by any decisions taken by Mr Z, instead on balance I think the loss suffered by him was crystallised as a result of the way IG carried out the remedial work.

IG to date hasn't provided any explanation for why the remedial action carried out wasn't like for like in cash value and instead was a unit for unit basis with no consideration of this. In the absence of any explanation, I'm not persuaded IG took reasonable steps to protect Mr Z from financial loss when it carried out this remedial work.

Taking everything into account, I don't consider the actions IG took to be fair and reasonable and it has caused Mr Z financial loss. I therefore uphold his complaint.

Putting things right

To put things right, IG needs to put Mr Z back in the position he would have been in, if it had carried out remedial work to ensure the cash value of his like for like investment was the same as his original holding.

IG should:

- Calculate the number of units Mr Z should have received in the replacement ETF based on the full cash value of his holding immediately before the December 2024 replacement was carried out, using the unit price applicable on that date.
- Credit Mr Z's account with the shortfall in units so that the value of his holding reflects that amount.
- Pay Mr Z £300 for the distress and inconvenience caused by IG's handling of the December 2024 remedial action, including its failure to carry out the replacement on a like for like cash value basis and its lack of clear communication with him about this. I'm satisfied this caused Mr Z unnecessary frustration and inconvenience beyond the financial loss itself, and I consider this award fair and reasonable in the circumstances.

My final decision

My final decision is that I uphold Mr Z's complaint about IG Trading and Investments Limited. I direct IG Trading and Investments Limited to put things right as I have described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 13 March 2026.

Mark Richardson
Ombudsman