

complaint

Mr Y complains that he has been unable to transfer or withdraw the portfolio he holds with TD Direct Investing (Europe) Limited (TD).

background

Mr Y opened his account with NatWest Stockbrokers in July 2013. In 2014 TD bought NatWest Stockbrokers and customers were asked to agree to their accounts being transferred over to TD. This is what happened to Mr Y's account.

In August 2014, TD wrote to Mr Y at the address that it had for him. This was returned undelivered. So Mr Y's account was blocked.

In October 2014, Mr Y removed the address from his account. He then emailed TD to say that he was travelling abroad and didn't have a fixed address. He asked that TD reactivate his account so that he could trade. TD said that it couldn't reactivate his account unless he provided a permanent address.

In January 2015, Mr Y sent another email to TD, following up a telephone conversation he had just had. He asked to '*transfer ownership*' of the stocks in his account to a relative. And he asked for information about how to carry this out. He confirmed that he was no longer living in the UK and didn't have a permanent address.

A number of emails were exchanged between Mr Y and TD. TD said that it was unable to transfer the stock to an account in someone else's name - Mr Y needed to withdraw the stock in certificated form. But when Mr Y asked to do this, he was told that as there was no address on his account, he needed to provide proof of a permanent address.

Mr Y said that he was '*unable to supply either a permanent address or bank statement*'. He said all his bank accounts were closed. He said he could supply a forwarding address and a certified copy of his passport.

But TD said that unless it received a permanent address, '*verification of identity cannot be done and the account will remain suspended*'. Several other emails were exchanged, but TD's and Mr Y's positions remained the same.

Mr Y couldn't provide a permanent address, because he said he wasn't living at one. And TD said that it was unable to verify his identity unless it had proof of a permanent address. It said that his account would remain '*frozen*' until this was done.

I issued a provisional decision in March 2016. In summary, I said that in the particular circumstances of Mr Y's case, it wasn't fair for TD to continue insisting that Mr Y provide proof of a permanent address in order for him to withdraw his funds, when Mr Y said he couldn't provide it. I said that TD needed to reasonably satisfy itself that Mr Y was who he said he was and he had offered to provide a certified copy of his passport.

So I provisionally upheld the complaint.

TD accepted my provisional findings as did Mr Y, who said he was also happy to provide a certified copy of his driving licence. But Mr Y said that he should be compensated for the months during which the account was blocked and he couldn't trade.

my findings

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've reached the same conclusions.

I've considered Mr Y's comments that he should be compensated for the months during which he was unable to trade.

It wouldn't be possible for me to say what trades Mr Y may or may not have carried out during this time. And any compensation would be with the benefit of hindsight. I'm not persuaded that this would be fair on the business. I can understand that not being able to trade on his account would've been frustrating. But I have already awarded an amount for the trouble and upset the matter has caused Mr Y. I think this is fair and reasonable in the circumstances.

compensation

In order to resolve this complaint the following should happen:

Mr Y should:

- provide a certified copy of his passport to TD; and
- provide a certified copy of his driving licence.

The certification of the documents should be done in a way that is acceptable to TD.

Mr Y should also provide an address to TD, for which he accepts full liability, where he wants the cheque or stocks sent to.

Once TD has received the certified copies and an address from Mr Y, it should ask Mr Y whether he wants:

- his portfolio liquidated, and the funds released as cash by means of a cheque; or
- the stock withdrawn in certificated form.

And TD should provide Mr Y with a cheque for the £250 for the trouble and upset he has experienced.

my final decision

My final decision is that I uphold Mr Y's complaint. TD Direct Investing (Europe) Limited should pay the compensation outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 27 June 2016.

Alessandro Pulzone
ombudsman