

## **complaint**

Mr B complains about the way in which Halifax Share Dealing Limited, trading as iWeb, dealt with his request to have his shares transferred into his name. He says, as iWeb charged £25 per shareholding to carry out the transfer, it should have made sure the share certificates sent to him were correct. He does not think all the share certificates were correct, and had to contact the share registrars himself. So he thinks iWeb should refund him the £25 charges it made, and compensate him for his trouble.

## **background**

In February 2017 Mr B contacted iWeb, and asked it to transfer the shares it held in its nominee account on his behalf into his name. That involved iWeb instructing the transfers. The registrars of each shareholding would then change the registration details from those of iWeb to Mr B's personal details, and issue share certificates to him.

Seven share certificates were forwarded to Mr B by iWeb after they had been received from the registrars, around a week after Mr B had made his request. After Mr B received his share certificates, he contacted iWeb. He told it two of the certificates recorded his name and address. But the other five recorded the details of "Broker 33X24", which he understood to be a reference to iWeb. He added that he'd received welcome letters relating to the two shareholdings on which his name and address were recorded on the certificate, but no welcome letters for the other five.

iWeb told Mr B it wasn't able to do anything about the format in which the certificates had been issued. Mr B wasn't happy with this response, so made his complaint. iWeb did not uphold the complaint. It said, in summary:

- Each of the transfers had been processed correctly. But different registrars have different processing methods – so some will put different details on the counterfoil to the certificates. In this case, some of the registrars had shown the details of the account the shares were transferred from (Mr B's iWeb account).
- Each certificate showed the correct number of shares, registered to Mr B.
- It did not make a mistake, and it has no control over the processes of the registrars.

Our adjudicator looked into things, and said he didn't think iWeb had done anything wrong. He said he thought Mr B had received certificates in different formats owing to the different ways in which different registrars produced those certificates. He added that the certificates noted that the shares were issued to Mr B under his name. He also said that iWeb had confirmed with Mr B that the registrars held the correct contact details for him.

Mr B did not accept the adjudicator's view. He said, in summary;

- The adjudicator had not given full consideration to the poor service he had received from iWeb.
- One of the certificates had asked him to check and see whether the address details on the counterfoil were correct.

- He holds an account with another stockbroker, who does not charge for transferring shares into his name. If iWeb had not charged him, he would have happily contacted the registrars himself.
- It was iWeb's responsibility to ensure any certificate sent to him had to correct name and address details showing.

### **my findings**

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, I have reached the same conclusion as the adjudicator, and for the same reasons.

iWeb charged Mr B a fee for the work involved in instructing the transfer of shares out of its account into Mr B's own name, and the administration associated with that. I have not seen sufficient evidence to show it did not complete that work. The available evidence shows that each of the shareholdings had been transferred to Mr B by the registrar shortly after he asked for the transfer to be made, and iWeb forwarded the certificates to Mr B promptly.

Like the adjudicator, I think the format in which the registrar issued the certificates was a matter for the registrar, not iWeb. As mentioned, iWeb's job was to instruct the transfer and deal with the administration associated with that instruction. Once the transfer instruction had been given, it was down to the registrar to update the register and issue certificates.

I can understand Mr B's point that it should not have been for him to contact the registrar to query the certificates, rather than iWeb, given that he'd paid a fee to iWeb. But the certificates showed that the shares had been registered to Mr B, as requested. So I do not think that iWeb should reasonably have thought the registrars had made a mistake. iWeb has told us it is not unusual for different registrars to issue share certificates in different formats.

So, whilst I know Mr B will be disappointed by this, I do not think it would be fair to ask iWeb to return the fees it charged Mr B for instructing the transfers, or to compensate him for the trouble he was put to by querying some of the certificates. I think iWeb completed the job it charged the fees for, without making a mistake.

I acknowledge that other brokers may have different charging structures, which might mean no fee is charged for instructing a transfer of a share into someone's name. But I think iWeb's charging structure is a matter for its legitimate commercial judgement. I do not think it would be fair for me to interfere with that and say iWeb is not entitled to charge for its service in the way it does. So I do not think it would be fair to ask iWeb to return the fees it charged on this basis either.

### **my final decision**

For the reasons given, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 15 January 2018.

John Pattinson

**ombudsman**