

The complaint

Mr D complains about several issues with DeGiro B.V's now flatexDEGIRO Bank AG ("DeGiro") handling and administration of his trading account with them.

What happened

Mr D has a trading account with DeGiro and since April 2022, he has raised several complaint issues with them. These include:

- dividends being paid in USD and then incorrectly being converted to GBP. Mr D says this has resulted in charges being incurred,
- a missing payment. Mr D says he received a payment to his account following a divestment but that it disappeared and was never paid to him,
- a missing dividend payment,
- further incorrect and missing transactions on the account.

Mr D has raised further subsequent complaint points which are being dealt with separate to this complaint reference.

DeGiro have responded to Mr D and our service on separate occasions. They maintain that there are no missing transactions, dividends or other payments on Mr D's account. They have also stated there was no incorrect conversion of dividends from USD to GBP.

Mr D has remained unhappy with the responses from DeGiro and brought his complaint to our service for an independent review. An investigator looked into and has raised several requests for information from DeGiro over the months the case has been with our Service. Ultimately, she concluded that Mr D hadn't evidenced that DeGiro had done anything wrong with the management of his account.

Mr D has asked for an ombudsman to review the case and issue a decision and so it has been passed to me. He maintains that there are incorrect and missing transactions on his trading account.

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.

Many points have been made in relation to this complaint – I've tried to set out the key issues I think are important here. And I've answered them below in turn.

Dividends being paid in USD and then being converted to GBP

Mr D is concerned that certain dividends paid to his account, were converted from USD to GBP. He says that the dividends should have remained as USD and added to his USD money fund and had they been, he wouldn't have suffered an interest charge for a deficit in that holding.

I am satisfied with the response received from DeGiro that they have acted correctly. They have stated that the dividends have not been converted to GBP and provided statements which show them paid in USD. Further, they have explained that the currency handling settings of Mr D's account allow for cash to be held in different currencies other than GBP. I haven't seen evidence of a conversion and DeGiro have evidenced that the deficit in the USD money fund for Mr D was due to short positions held on several stocks between April and June 2022.

A missing payment regarding Mr D's Sanofi shareholding

Mr D says that as a shareholder of Sanofi, he was entitled to approximately 50-60 euros, following a demerger with EURO API. Mr D has said in an email to us that this amount *"did show on the account for a period of time before the sum in question disappeared"*.

DeGiro have said that *"Sanofi paid a dividend on June 1st 2023, with record date 31 May 2023 as explained in the investor relationships webpage of the company. The dividend entailed a payment of EUR 3.56 per each share held. As Mr D is holding the American Depositary Receipts (ADR) of the company, he was entitled to EUR 1.70 per ADR2. Taking into consideration that he was holding 30 ADRs, he was entitled to EUR 51 per share. The above-mentioned dividend was booked into Mr D's account on June 1st 2023."*

DeGiro have provided an extract of Mr D's statement to show this amount was paid and I haven't been provided with anything to show a correction of this amount. On a balance of probabilities, I am satisfied this is the amount Mr D is referring to and I haven't been provided with anything to show entitlement to a further amount. It would be for Mr D to show that, if he thinks there is a missing payment.

A missing dividend payment regarding Mr D's Nestle shareholding

In his most recent email to us Mr D said *"that a Nestle dividend was never paid. Again the money showed on the account when the share became ex dividend but then later disappeared without being paid"*.

DeGiro have evidenced that Mr D received a dividend from his Nestle shareholding on 26 May 2022 for \$74.18. They have also said that following this a dividend tax of \$25.96 was paid and that there was a negative balance left after this.

I am satisfied on a balance of probabilities that this is the dividend that Mr D is referring to and that DeGiro have acted fairly. He has not evidenced any other dividend payment and nor has he shown any correction or account showing the amount not included.

Further unrecognised transactions on the account

Mr D has also provided us with screenshots of distributions to his account which he has described as unexplained.

I am satisfied with the response DeGiro have given regarding them. They have said that Mr D makes use of money market funds within his account and they *"have a yield which*

tracks the Central Banks policy in interest rates of the corresponding currency. Therefore, the transactions attached reflect that positive/negative interest yielded by the client's funds deposited in the above-mentioned Money Market Funds".

I am satisfied with the response given by DeGiro that they have acted sufficiently and fairly to explain the transactions that Mr D has queried.

In summary, I am satisfied based on the information provided to me that DeGiro have acted fairly and correctly. In my opinion, their responses explain the issues raised and Mr D hasn't evidenced any errors or missing payments.

My final decision

My final decision, for the reasons set out above, is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 28 December 2023.

Yoni Smith
Ombudsman