

The complaint

Miss F complained about the service provided by Computershare Investor Services Plc ('Computershare') when she was unable to use its internet share dealing platform to sell her holdings. She said the resulting delay in the sale of her shares caused her financial loss due to price movements as well as a great deal of worry and stress when she was facing financial pressure.

To put things right, Miss F wanted financial compensation.

What happened

Miss F was registered with Computershare to use its internet share dealing service and so she expected to be able to give online instructions to sell certificated shares (I'll refer to these as her 'H' shares). In August 2022, when her H shares reached a value of £5.50 per share, she wanted to sell at that price in order to cover a large bill. Due to a technical error, Computershare's online share dealing service was unavailable to her and its postal dealing service, which was the only alternative it could offer, was unsuitable for Miss F's immediate needs. This resulted in her transferring to a broker who then handled the sale of her shares, achieving a price below the £5.50 per share she had originally hoped for.

When she complained about what had happened, Computershare responded with an offer of £25 as a gesture of goodwill for a promised call back that didn't happen.

Miss F didn't feel this went far enough to resolve things and she brought the complaint to us.

One of our investigators looked into what happened. During the course of the investigation, Computershare agreed that Miss F was entitled to more compensation for the incorrect information and technical issue and offered a further £50 – but didn't feel that it should pay the difference in the share price.

Our investigator still thought that Computershare needed to do more to put things right and recommended that Computershare should pay Miss F:

- the difference between £5.50 per share and what Miss F achieved on sale, and
- £150 in total for the overall distress and inconvenience Miss F had experienced which included not contacting her when Computershare said it would, giving incorrect information about correcting her bank details and the technical difficulty which couldn't be fixed which had resulted in Miss F having to go to another broker.

Miss F agreed with the investigator but Computershare disagreed. It mainly said (in summary):

- Miss F should be compensated for the incorrect information provided, not being contacted and a technical issue in correcting her incorrect bank details
- there was no guarantee that Miss F would have achieved the price she wanted, even if she had been able to submit the sell instruction
- Computershare wasn't responsible for delays Miss F encountered when using the broker service who arranged the sale

- Miss F hadn't been aware of which valid share certificates she had in her possession and requested an Indemnity for 17 shares. Upon receiving a list of valid share certificates from Computershare, she was only missing a certificate for 3 shares
- even if the technical issue had not happened and Miss F was able to instruct the sale of her shares, the issue with the certificates would have delayed the sale.

Our investigator wasn't persuaded to change her view and Computershare asked for the complaint to be referred for an ombudsman decision. The complaint came to me to decide. I issued a provisional decision.

What I said in my provisional decision

Here are some of the main things I said.

'As far as I can see, the background facts are well understood and essentially agreed by both parties so I don't think I need to say more about what happened. And, as Computershare has upheld Miss F's complaint, I will concentrate on the question of fair redress, which seems now to be the main point in issue and the reason Computershare has requested an ombudsman referral.

There's information on our website which explains the Financial Ombudsman Service approach. Briefly, I need to decide what I think is likely to have happened if Computershare hadn't made an error – in other words, if it had not been responsible for delays and poor service when Miss F attempted to use its internet share dealing service. I find on balance, even allowing for an issue with missing H share certificates, Miss F would likely still have been in a position to sell her H shares on 12 August 2022 when the share price was £5.50 per share. I'll explain my reasons.

Miss F had made a mistake on 3 August 2022 when inputting bank details on Computershare's website. This reasonably triggered a security check but it was unreasonable that after this, Miss F found she'd effectively disabled her account due to a technical issue affecting the site. This meant that when the share price was at a level she hoped to achieve, she couldn't initiate the sale. I think it's reasonable to say that had the online service been available, Miss F would've instructed the sale of the shares she had certificates for as soon as the price per share reached £5.50, as this was her intention when she entered the incorrect details.

Although she had spoken on the phone to Computershare on 4 August 2022, she didn't hear back until it emailed her on 10 August 2022 explaining that her options were to use its postal service or involve an external broker and she'd need to check she had all her share certificates. It also set out the process Miss F needed to follow to obtain an indemnity from Computershare for any lost share certificate before it could issue a replacement.

Computershare apologised for this late response and I think it's fair to say that if Computershare had provided a better service, Miss F could have taken things forward sooner. Computershare said it could send a replacement certificate within five days of receiving a completed indemnity. The quickest way to apply for an indemnity was to phone its contact centre and pay by credit card or use its secure payment system – so this would've been very quick to do.

I agree with our investigator that it's reasonable to expect that it shouldn't have taken longer than a week or so to resolve the issue of the three missing share certificates. And had Miss F known all this on 4 August 2022, it's fair to assume that by 12 August 2022, it's likely she would have been in a position to sell all her shares on that date.

I agree with the investigator that in order to put Miss F into the position she would have been in, had Miss F sold all her H shares on 12 August 2022, Computershare should reimburse Miss F for any resulting loss on the sale of those shares.

I've also thought carefully about the emotional distress and worry Miss F told us she experienced. I can understand why this was such an anxious time for her. There was a significant amount of money at stake and she was relying on selling these H shares at the best price she thought she could achieve to raise enough money to pay a big bill. In coming to my decision, I've taken into account that Computershare has acknowledged that Miss F should be compensated for the incorrect information it provided, not contacting her when it said it would and the technical issue to do with correcting her incorrect bank details. Computershare hasn't said if it agrees the figure of £150 suggested by the investigator, but I think £150 is fair compensation to reflect the impact on Miss F of the delays and shortcomings in the service Computershare provided to her on this occasion.'

What the parties said in response to my provisional decision

Miss F confirmed safe receipt of the provisional decision.

Computershare reiterated the point that it didn't offer the option to sell shares at a price limit, either through its Investor Centre or Postal Dealing service, so if Miss F had used its service to sell, she would not have been guaranteed the price that she thought she was going to achieve.

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.

I've taken carefully into account everything that's been said in response to my provisional decision.

Computershare hasn't provided me with any new information that changes what I think about this case. I'd already considered all the main points mentioned above when thinking about my provisional decision. I have addressed in my provisional decision all the points which have a bearing on the outcome. I accept that Miss F wouldn't have been able to guarantee her selling price, but I've explained why I think Miss F would've likely wanted to execute the sale on 12 August 2022, so it follows that Computershare should reimburse Miss F for any resulting loss on the sale of those shares at a later date.

So I still think it's fair to uphold this complaint for the reasons I explained more fully in my provisional decision.

Putting things right

To put things right for Miss F, Computershare should take the following steps:

- compare the price Miss F's H shareholding achieved on sale (I'll call this value 'A') with the price she would have achieved if Computershare had completed the sale of her H shares on 12 August 2022* (I'll call this 'B').
- If B is greater than A (in other words, Miss F's shares sold for less than they would have done had Computershare not prevented Miss F completing the sale on 12 August 2022) then Computershare should pay the difference to Miss F to reimburse her.
- Computershare should set out the figures it relies on and its calculations in a

clearly understandable way so that Miss F can see how the amounts have been worked out.

- Pay Miss F £150 in total to reflect the stress and anxiety Computershare caused her. So, to be clear, if it has already paid any of the redress it offered previously, this can be offset against this amount.

*Computershare should use the average H share price over the course of 12 August 2022 in its calculations.

My final decision

I uphold this complaint and direct Computershare Investor Services Plc to pay Miss F as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 2 August 2023.

Susan Webb
Ombudsman