

## **The complaint**

Mr P complains that he lost out financially when Citibank UK Limited failed to update information on its platform and this delayed a planned trade and resulted in his stock being sold at a reduced unit price.

To put things right, Mr P wants compensation to reflect the difference in the sale price as well as the maximum award for distress and inconvenience.

## **What happened**

Mr P held stocks in a company I will call F.

On 5 January 2023, Mr P emailed his relationship manager at Citibank with information about company F, saying that it had announced a decision to redomicile, with the result that its International Securities Identification Number ('ISIN') would need to be updated.

F said conversion of ordinary shares was likely to be restricted from 2 January 2023 until 9 January 2023 when it was expected the ordinary shares in the company could trade under the new ISIN.

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On 10 January 2023, Mr P attempted to sell his F security at a unit price of USD14.60. He was unable complete the sale on this date as Citibank had not updated the ISIN on its platform.

When he was able to finalise the sale on 11 January 2023, the order was completed with a lower unit price of USD13.27.

Citibank didn't uphold Mr P's complaint. In brief summary, it said that:

- it began the process to amend the ISIN on 9 January 2023, in line with F's announcement that this was when the change would be made, and
- its turnaround time to update an ISIN is two working days and it completed this change within this timescale, which enabled Mr P's transaction to be completed on 11 January 2023, with the new ISIN reflecting in his portfolio the same day:

Mr P didn't feel this was enough to resolve his complaint so he came to us and one of our investigators looked into what happened.

Our investigator didn't uphold Mr P's complaint, mainly on the grounds that she couldn't say Citibank had been unfair when it had acted in line with its procedures and completed the change within its two day timescale.

Mr P disagreed with our investigator. He mainly said (in brief summary) that:

- he'd provided Citibank with all the necessary information on 5 January and the ISIN should have been updated and ready for him to trade on 9 January

- stocks in portfolios need to be available for selling as per market working hours and not subject to Citibank's procedures
- it's up to Citibank to be aware and take all necessary actions to have everything ready to enable customers to trade.

As the complaint hasn't been resolved, it comes to me for a final decision.

### **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 sympathise with Mr P – I can understand that what's happened has been frustrating for him. We provide an informal complaints handling service and this is reflected in the way I've approached the complaint. The purpose of my decision isn't to address every single point or question raised because it's not what I'm required to do in order to reach a decision in this case. My role is to consider the evidence presented by Mr P and Citibank and reach an independent, fair and reasonable decision based on the facts of the case. And having thought about everything I've seen and been told, I've independently reached the same overall conclusions as our investigator. I'll explain why I say this.

It's my understanding that the crux of Mr P's complaint is that Citibank is responsible for him not being able to place his trade on 10 January when he wanted to sell F stock at the quoted price he'd seen. So this is the focus of my decision.

Mr P said that it shouldn't have been up to him to tell Citibank about the new ISIN number and it was unreasonable that it took two days for Citibank to update its records. He also said he'd given notice on 5 January in any event so Citibank should have been able to action his trade on 10 January.

The ISIN is used to facilitate the trading of securities transactions, especially across borders and following F's announcement, its new ISIN needed to be in place before Mr P would be able to trade his F stock.

Citibank has sent me a screenshot from its records showing that it started the process to change the ISIN on 9 January and completed this on 11 January.

Whilst I can appreciate that Mr P is frustrated that Citibank didn't update the ISIN information sooner, I can't fairly say that Citibank made any error or that it should reasonably have taken action sooner because:

- I can't comment on Citibank's business process that meant it would take up to two days to update the ISIN on its system. How businesses choose to operate, their internal processes and the services they offer are matters that come under the oversight of the regulator - the Financial Conduct Authority (FCA).
- I can look at the service provided and I've considered whether Citibank should reasonably have started process of updating records sooner. I'm mindful that Citibank was aware that trade in F stock could resume on 9 January and that updating the ISIN would take up to two days to complete. I've checked whether, if Citibank had started the process of updating the ISIN sooner, Mr P might've been able to trade successfully on 10 January 2023. But Citibank has told me that this process could not have started earlier as this was dependent also on its custodians and that the holdings came to

Citibank from the custodians only after the live date of the new ISIN on 9 January 2023.

- I've also thought carefully about whether it's reasonable to expect that Citibank ought fairly to have communicated better with Mr P about this. In his 5 January 2023 email Mr P said: *'Below is what (F) has announced and since I have it in my portfolio please confirm that everything is done so I can trade my stocks. Thanks and Regards'*. He hadn't however said he wanted to be able to trade on 10 January, so I don't think Citibank had any particular reason to think that it should have alerted him to the possibility that he might not be able to trade until 11 January.
- The ISIN update took place within the two days scheduled for this happen and Mr P was able to complete his planned trade the same day.

In order to uphold Mr P's complaint I would have to be able to find that Citibank made an error or acted unfairly or unreasonably. After having taken into account everything that Mr P and Citibank have told me, I haven't seen enough to show that Citibank did anything wrong or that it treated Mr P in a way that wasn't fair and reasonable.

So I can't uphold this complaint.

If I have not referred to every point Mr P has raised it's because I have concentrated on what I consider to be the core issue that affects the outcome of his complaint. Nothing else he's said is a good enough reason for me to uphold his complaint.

I appreciate that my decision will be disappointing for Mr P but I hope that setting things out as I've done helps to explain how I've reached my conclusions.

### **My final decision**

My decision is that I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 16 January 2024.

Susan Webb  
**Ombudsman**