

The complaint

Mr H has complained that Halifax Share Dealing Limited trading as Lloyds Bank Direct Investments (LBDI) haven't correctly applied a cashback bonus he feels he is entitled to for transferring some of his investments to them.

What happened

Mr H is a Lloyds banking customer and he says that in November 2022 he received a marketing email, offering a cashback bonus for transferring investments from other providers to LBDI.

Mr H says that following this, across four dates in November and December 2022, he transferred approximately £30,000 in total to LBDI. He says that under the terms of the offer, he was entitled to approximately £500 as cashback bonuses.

Mr H says that after the deadline for receiving the cashback passed, he chased this with LBDI. He says that after initially being told the payment was coming but had been delayed, he was subsequently informed that he did not qualify. Mr H complained to LBDI.

LBDI responded to say that Mr H didn't qualify under the terms of the cashback, as he had already transferred the holdings away from LBDI. Mr H was unhappy and said he only did this due to concerns about payment of the cashback following delays. He feels he still qualifies for the incentive.

An investigator at this service looked into it, she said that Mr H had withdrawn the funds within days of transferring them to LBDI and due to this the business were entitled to withdraw the cashback offer, under the terms and conditions of the incentive.

Mr H remained unhappy. He said amongst other points, that LBDI could only reclaim the cashback amount within 12 months of it being paid. But that they couldn't do so as the withdrawal was before payment.

As no agreement was reached, the case has been passed to me for a 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.

Mr H made four investment transfers to LBDI. The first three transfers were all withdrawn from LBDI the next working day, and before the fourth transfer had even gone through. The fourth transferred amount was also withdrawn the next working day.

The terms and conditions for the LBDI cashback bonus offer state that they *"reserve the right to reclaim any cashback payment if you transfer out of your Lloyds Bank Share Dealing account or Lloyds Bank Share Dealing ISA within 12 months of us paying any cashback to*

you under this offer".

I think Lloyds have acted fairly and in line with the terms and conditions. Mr H clearly withdrew the funds. Mr H says that as the cashback wasn't yet paid, then it isn't within twelve months of that, as he withdrew the funds prior to payment.

The intention of the incentive was to reward customers for transferring investments to the LBDI platform and remaining invested for at least 12 months. Mr H didn't do this and I think LBDI have acted fairly in withdrawing the cashback offer to him. Mr H hadn't complied with the intention of the offer. I note he says in response to the view that he made the withdrawals, thinking he had complied. However, his original submission to us stated he withdrew after delays and concern as to how genuine the offer was.

In summary, I think LBDI have acted fairly here in not paying any cashback as the transferred funds were withdrawn before the bonus could be paid.

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 H to accept or reject my decision before 16 February 2024.

Yoni Smith
Ombudsman