DRN-4300403

The complaint

Mr D complains that Equiniti Financial Services Limited ("Equiniti") didn't act on his instructions to buy shares. He says Equiniti aborted the process without telling him. He wants to be put back in the position he'd be in now if the shares had been purchased.

What happened

Mr D has an execution only account with Equiniti. In March 2023 he says he placed an online order to buy £7,000 worth of shares in a company which I'll refer to as "B". In order to buy the shares, he needed to complete a debit card transaction. The first transaction wasn't successful because Mr D mistyped the authorisation code, but it was successful on the second attempt. Mr D says his bank account was debited and he received an online message from Equiniti saying, "*transaction successful*". But the following morning when he logged into the Equiniti site, he realised the share purchase hadn't taken place. When he phoned Equiniti to find out what had happened, he said he was told he needed to speak to his bank. But his bank said Equiniti hadn't claimed the money, so he complained to Equiniti.

Equiniti said that although the cost of the shares was successfully secured, meaning the money for the intended share purchase was earmarked by his bank, Mr D didn't click the "*Get Quote*" button, so he didn't place an order for the share purchase. Having not received an order, Equiniti contacted Mr D's bank to cancel the card transaction.

Our investigator didn't recommend that the complaint should be upheld. She didn't think Equiniti had made a mistake because it hadn't received a share purchase instruction from Mr D.

Mr D didn't agree. He said, in summary, that:

– He gave a firm instruction to buy the shares, by clicking the "*Buy Now*" button, giving details of the shares he wanted to buy, and providing the money to pay for them.

– He received a "*successful transaction*" message which he assumed related to the share purchase. It was misleading that this message only related to the earmarking of funds.

– Equiniti says he should wait for a contract note to confirm that a transaction has taken place, but as this might not arrive until two days after the transaction, share prices will have moved.

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.

Having done so, I find I have come to the same conclusion as the investigator for the following reasons:

Mr D didn't place an order to invest £7,000 in B shares. To proceed with an order, it's necessary to obtain and accept a quote. Mr D didn't do this.

The process to purchase the shares was in several stages. So whilst Mr D initially chose the option to "*Buy now*", he didn't follow the complete process through to the end. The money to purchase the shares was successfully earmarked, but he didn't proceed with the share purchase instruction.

Mr D says he received the message "*transaction successful*" which he says is misleading because it only related to the transfer of funds, not the share purchase. Before going any further, I should make it clear that my role is to resolve individual disputes between businesses and consumers. I don't have the power to tell a business how it should treat all customers or how it develops its internal policies, including its share transaction web pages. That's a matter for the regulator, the Financial Conduct Authority (FCA). I'm not aware of how frequently Mr D trades, but I accept he may have been unfamiliar with the process. Even so, I think he reasonably should have known there was another stage to the process because otherwise he would have committed £7,000 without knowing what price he would get for the shares. And I think this was important to him because the following day, when the price had increased, he didn't want to trade. The "*transaction successful*" message was displayed immediately following the card transaction process, and I don't find it unreasonable that this message said what it did after the funds for the purchase had been successfully earmarked.

To proceed with the share purchase, Mr D needed to click on the "*Get Quote*" button. This was displayed at the bottom of the screen and, unless the screen size was reduced, required Mr D to scroll down. Mr D is partially sighted, so he was unlikely to be viewing a reduced screen size. But, as noted above, I've already found he should've reasonably known the process wasn't complete, so I think he reasonably should have continued to view the webpages, rather than logging off, or contacted Equiniti if he thought he'd missed something. He hadn't told Equiniti that he was partially sighted. He shared that information during the call on the day after the trade. Businesses have a duty under the Equality Act 2010 to make reasonable adjustments to remove barriers to using their services. And if Mr D is finding the website difficult to use, he may want to contact Equiniti to see if there are adjustments that can be made. I note that when he spoke to Equiniti to ask why the trade hadn't gone through, and he told it about his sight, Equiniti offered to help him place the trade if he still wanted to. In doing so, I find Equiniti treated Mr D fairly and reasonably.

Mr D says Equiniti should have told him the trade hadn't gone through. But I don't find it was obliged to do so because Mr D hadn't actually placed the order for a trade.

Mr D says Equiniti says if it hasn't issued a contract note, then the trade hasn't gone through. And Mr D points out that it can take two days to receive a contract note by which time it may be too late to mitigate any loss due to share price movements. I don't think the receipt, or not, of a contract note is relevant here, other than to show the trade didn't take place because a contract note wasn't issued. No purchase instruction was given, and Mr D realised the following day that the trade hadn't taken place.

When Mr D spoke to Equiniti the day after he thought he'd placed the trade, Equiniti told him that he would have needed to accept a quote and then he would have received a trade confirmation message. But it also suggested Mr D needed to speak to his bank because it looked like the bank hadn't released the funds for the trade. This wasn't the case. It would seem that some confusion arose because the process to earmark the funds for the trade using his debit card was only successful on the second attempt. I think both Mr D and Equiniti thought this may have had some bearing on why the trade instruction wasn't given.

But I don't find that was the case. So whilst this caused Mr D to contact his bank unnecessarily, I don't find it's made an overall difference to the outcome of this complaint. Whilst I'm not unsympathetic to the position in which Mr D finds himself, I find he didn't place an instruction to purchase shares and I don't find Equiniti treated him unfairly or unreasonably.

My final decision

For the reasons I've explained, my final decision is that I do not 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 6 March 2024.

Elizabeth Dawes
Ombudsman