



Case study: Investments

Stalemate returning funds to investor

Themes: proof of address, unusual circumstances, sensible application of rules

Mr W was a UK citizen who had held an investment in the Channel Islands from the early 1980s. He worked abroad for many years and the financial services provider that administered his investment changed over that period.

In 2013, the administrator at that time advised Mr W that having reviewed their records it had come to light that his investment had been redeemed some years earlier by the previous administrator. In order to release the sum of approximately £4,000 back to Mr W it asked him to provide certain documentation to prove his identity, address and bank account. The documents Mr W provided were not considered sufficient and further documents were requested.

When Mr W returned to the UK in 2016, he made renewed efforts to have the money repaid, communicating by phone and email and sending documents. Mr W brought the matter to CIFO in 2017 as he felt that he had provided all that had been asked for and was frustrated and concerned that his money had not been returned.

When we spoke to the administrator, it was frustrated that, while Mr W was providing documents, some were not what it needed him to provide. The administrator felt that it had clearly explained what was required and also that staff were finding him very difficult to deal with. Until the correct documents were provided, the administrator said it could not release the funds because of legal and regulatory requirements. These include requirements relating to verifying the identity and residential address of customers.

Since returning to the UK, Mr W had not had a permanent home address and had been living in temporary accommodation for several months. This meant he could not provide the usual proof of his address, such as a bank statement or utility bill in his name at that address. It was clear to us that communication had broken down between the parties, so we worked with both of them to find other ways Mr W could verify his address to enable the administrator to meet its regulatory requirements. By putting the administrator in touch with the manager of the temporary accommodation, the administrator was able to satisfy its regulatory requirements and Mr W received his money.