



## Case study: Investment/Funds

### ISSUE WITH AN INVESTMENT TRANSFER CAUSES COMPLAINANT DISTRESS & INCONVENIENCE

Themes: misinformation; investment account platform; distress and inconvenience.

This complaint relates to misinformation provided to a complainant when transferring an investment asset to a new investment account platform.

In 2006 and 2009, Mr R combined his two investments and moved them into an investment account opened on an execution only basis with a local bank. Mr R chose this method as he believed he would be able to manage his investments online by signing up to the bank's internet banking service. It later transpired that Mr R's investment account would only allow Mr R to view the value of one of his investments. Mr R would also have to issue investment instructions through a relationship manager and would only receive quarterly written valuations of one of his investments from his bank.

In 2021, the investment account product at Mr R's bank ceased to exist, and a different product was launched. In August 2023, Mr R requested that the bank transfer both his investments to this new platform, but one of Mr R's investments was an old type of investment. On the new platform this investment type would only have enabled Mr R to see the wrapper value of his investment but not the underlying fund holdings. However, Mr R's bank incorrectly advised him that he couldn't see the fund holdings due to a technical error.

Mr R made a complaint to his bank as he believed he was falsely advised of the original functionality of the platform he had transferred his investments to in 2006 and 2009. He further complained that delays occurred when he instructed the bank to switch investments held in both of his investment structures to the new platform when the previous product ceased to exist. Mr R's bank rejected his complaint and Mr R referred his complaint to CIFO.

CIFO generally cannot consider complaints that are received more than six years after the event that gave rise to the complaint or, if it is later than that, within two years from when the complainant knew or should reasonably have known that there was reason to complain. Therefore, CIFO could not investigate the functionality of the investment account because it was established before CIFO's statutory time limit. CIFO could only review Mr R's complaint regarding the delays he had experienced when he sought to switch his investments in 2023.

Upon further investigation CIFO noted that one of the investment companies held by Mr R had required a revised instruction as one of the underlying investments had been suspended. CIFO noted that the delays were caused by this change and not by Mr R's bank. Therefore, CIFO upheld the complaint in part and recommended Mr R's bank compensate Mr R £250 for the confusion and anxiety caused when they had provided Mr R with misinformation about the platform, incorrectly

stating there was an error in his access to the underlying fund information in his investment account platform due to a technical issue.