An tOmbudsman Seirbhísí Airgeadais agus Pinsean
Financial Services and Pensions Ombudsman

Decision Ref:	2018-0042
Sector:	Investment
Product / Service:	Bonds
Conduct(s) complained of:	Alleged poor management of fund Delayed or inadequate communication
Outcome:	Partially upheld

LEGALLY BINDING DECISION OF THE FINANCIAL SERVICES AND PENSIONS OMBUDSMAN

Background

The complaint relates to a Single Contribution Investment Bond. The Bond was set up in 2006. The Bond was originally set up in Bond holders own names, but later under Trust.

The Trustees' complaint against the Company centres on the sale of the Bond's investment in the Variable Growth Fund which took place in July 2014. The investment was sold because the fund manager issued an offer to the Company to buy the shares in the Fund at 30% of net asset value ("the Offer")

The Trustees contend they did not receive notification of the Offer from the Company nor did they give the Company permission to accept the Offer. The Trustees are seeking to have the Company's decision overturned and for the Policyholders to be reimbursed accordingly.

The complaint is that the Company did not correctly communicate with the Trustees on the Offer.

The Complainant's Case

It is the Complainant's position that, instead of consulting the then Financial Advisor the Company should have contacted the Trustees as it is the Trustees responsibility to deal with the assets of the Trust.

The Complainant seeks the re-imbursement to the trust with the 70% NAV of the fund that was sold (which they says was "without the Trustee's permission"). The Complainants state

that the 70% amounted to 87,500 USD which was 70% of the original investment of 125,000 USD.

The Provider's Case

It is the Company's position that if it did not accept the Offer, it would have acted in contravention of the policy conditions and it would have resulted, as confirmed by Revenue (UK), in severe and adverse tax consequences for the Policyholder. The Company states that it cannot provide advice and it issued several communications to the financial adviser regarding the Offer as it felt the advisers would be best placed to guide the Trustees. The Company states that it even set out a number of options for consideration, with the Offer as the default choice.

The Company says however, that due to the very short deadline imposed by the fund manager and as the Company did not receive an alternate instruction from the financial adviser, the Offer, as the default option, had to be selected for the Bond. The Company submit that it is for these reasons that it cannot reverse the decision or reimburse the Policyholder.

Evidence

Trust Document

"Part 5 Administrative Powers [of the Trustees]
"1 [T]he Trustees shall during the Trust period have the following powers:

(i) To invest any money requiring to be invested in any investment or property of whatsoever nature (including any policies of assurance) and where so ever situated whether producing income or not and upon such security (if any) as the Trustees shall in their absolute discretion think fit;

(ii) ..

(iii) To deal with any policy of insurance or assurance or annuity comprised in the Trust Fund in all respects as if they were the absolute owners of it and in particular may surrender, convert or exchange the same in whole or in part and exercise any power election or option under a policy and borrow on its security and the receipt by the Trustee for any money payable under the said policy shall be a full and sufficient discharge; ..

2 None of the administrative powers specifically conferred by paragraph 1 above shall be capable of being exercised in such a way as
(i)…
(ii) to dispose of any assets comprised in the Trust Fund during the Settlor's lifetime without the prior written consent of the Settlor (while capax)".

Policy Conditions

"2 Discretionary Powers [of the Company]

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(6) Alterations to Policy

If, during the term of the Policy, legislation or other circumstances make it impracticable or impossible to give full effect to these Conditions, or if the basis of taxation applicable to [the Company], to the Portfolio, or the assets of the Portfolio or to the Policyholder is altered or is otherwise than currently contemplated by [the Company] then [the Company] may make such alterations to the Policy as it deems appropriate in the circumstances, subject, if necessary, to the prior approval of the Irish Financial Services Regulatory Authority or any successor organisation".

….
4 Investment Powers [of the Company]

[The Company] shall, subject to the provisions of Irish insurance legislation and to such limits on diversification of investment and to such prior approval which is required by the Irish Financial Services Regulatory Authority, have power to:

(1) acquire and hold in the General Account of the Portfolio pooled investments and assets which shall include:
'any pooled investment or asset which is not established by [the Company] but which is approved by the Irish Financial Services Regulatory Authority and is acceptable to [the Company], providing that no asset can be selected or retained if it would make the Bond a Personal Portfolio Bond as defined by the Personal Portfolio Bonds (Tax) Regulations 1999 and successor legislation in the United Kingdom. '

…
Miscellaneous
Notices
(a) [The Company] will not accept or act upon any request or instruction validly made under these Conditions until it has received at its Head Office, from time to time, written notification thereof and any documents and information which [the Company] require.
(b) Where [the Company] requires to give notice to the Policyholder in terms of these Conditions then notice will be deemed to have been received by the Policyholder 72 hours after posting of such notification addressed to the last known address for one or more of the Policyholders or to the last known address of the agent for any of the Policyholders".

<u>Application Form</u>

"Applicant's(s') Details
[Name and address of Policyholder]

"Correspondence Address (if different form above)
[The name and address of the Adviser is then set out]"

/Cont'd…

"Valuations / Statements
Statements should be sent to (please tick one box only):
Policyholders ☐ ***Investment Adviser*** ☐ ***Independent Financial Adviser*** ☑

Key Features Document
"You can appoint an investment adviser to be responsible for the management of your portfolio of investments within the plan"

"Where is my money invested?
..
The Private Client Portfolio allows you and your investment adviser to select and actively manage your own portfolio of investments in order to maximise opportunities in the international investment markets. Subject to our agreement, you and your financial adviser may choose from a wide range of acceptable investments funds .."

Company's correspondence with the Financial Advisor/s

28 March 2006 – Company to the first Financial Advisor:

"The original Trust deed is returned attached and a copy has been retained on our file. It is suggested that the Deed be kept with the policy document to which it refers for safekeeping as it may be a requirement to produce this when payment is to be made by us.

We would like to confirm that future communications will be sent to the first named trustee".

27 June 2014 – Company to the first Financial Advisor

"Please find attached details of a Corporate Action which affects your client(s) holding in the .. Fund.

Should your client wish to accept the offer detailed, no action is required as the default is to remain within the fund.

Should your client wish to accept the offer details, signed instructions can be sent by the following means before 4pm on 07 July 2014.
..
Instructions must be signed by the Policyholders or Investment Adviser / Investment Manager if one has been appointed.

If you don't know which of your client's are invested in this fund please call our Client Relations Team on …"

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The attachment mentioned in this e-mail is dated 20th June 2014 – this letter stated that *"written request to be received by … by closure of the offer period on 10th July 2014"*

27 June 2014 – New Financial Adviser to the Company

> "Thank you for your e-mail.
> Could you confirm which client(s) this relates to?"

30 June 2014 – the Company to the new Financial Adviser

> *"I've attached the bond numbers as requested.."*

1 July 2014 – New Financial Adviser to the Company

> *"Yes I do need the list of effected clients from you please.*
> *I am pretty certain that in all cases the clients will wish to remain in the fund and therefore we need take no action, but would like to double check against a list if possible".*

1 July 2014 – the Company to the new Financial Adviser

> *"Can you please provide documentation that show me that [Financial Adviser] is now [New Financial Adviser]. I can't find any reference to this on the FSA register.*
>
> *In the meantime [original Financial Adviser] has access to all their clients policies online. We have also e-mailed the clients Financial Advisers about the Corporate action, .."*

1 July 2014 New Financial Adviser to the Company

> *"That's fine then, we can leave it at that, as [Financial Adviser] is no longer trading, but their clients are being serviced by [the Company's Policy Services]*
>
> *We are now .. and therefore [the Company's Policy Services] will pass on any information regarding this to us. We can also access online so I will double check using that route.*
>
> *I will confirm back to you if any client accepts the offer, but as mentioned before, I do not think any do".*

1 July 2014 – Company to New Financial Advisor

> *"..I was confused by your e-mail address. I can see from our records that we have been contacted by .. from Policy services and a list of their affected clients were sent to her yesterday"*

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3 July 2014 – the Company to new Financial Adviser

> *"We contacted you on 30th June about a corporate action affecting the .. Fund. At that time we asked you to contact us if your client(s) wanted to sell their holding. We're contacting you again to let you know that after correspondence with [Revenue (UK)] we're unable to allow policyholders to remain in this fund. This means that we'll have to accept the offer …. to purchase the holding linked to your client's bond i.e. policies will receive the offer of 30% of NAV".*
> ..
> *We have received a number of replies to this corporate action already however please note the above is the positon we must take following instruction from [Revenue (UK)] and supersedes any request to remain invested in the fund".*

7 July 2014 at 09.38 – the Company giving clarification to new Advisor on general queries on sale of Fund

> *"3)* ***My client doesn't want the 30% offer. What options do I have?***
> - *A policyholder can select to 'buy' the asset from their policy. This would mean the client would pay the 30% NAV value into their policy and in exchange the fund would be transferred our in-specie into the policyholders name. As this is a trade there are no chargeable event implications for the transaction.*
> - *A policyholder may take the asset as an in specie transfer from the policy into their own name. This transaction would be a withdrawal across all segments meaning there may be tax implications if the value is greater than their 5% tax deferred allowance. The value associated with this in specie transfer would be their full NAV value rather than 30% offer on the corporate action. This needs to be considered carefully due to the possible tax implications. For this option to be taken there needs to be a case by case review of any client to ensure their overall policy is in a liquid position i.e. if the only funds that are suspended and the policy cash account does not have a credit positon to fund policy charges we may have to decline the request.*
>
> *We appreciate the difficulty and time sensitive nature of this corporate action. The default position is still acceptance of the offer of 30% NAV as outlined by [Revenue (UK)]. Any change in positon from a policyholder must be reached by 4pm today Monday 7 July, to allow review of a policy as [the Company] must vote by 11am on Tuesday".*

1 September 2014 – Company to original applicants (Settlors of the Trust)

> *"We have received the sum of £31,013.29 from the sale of the below fund"*

10th September 2014 – Original Applicants to the Company - Informing lack of knowledge re sale of fund.

> *"At no time have I received any notification direct from you or from my broker .. giving details any offer to buy my shares.*
> ..

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Your companies handling of this procedure is very unprofessional to say the least. I received a letter from you dated 16th April 2014 to advise an agency transfer to my correct address but something as important as this you send to the wrong address"

17th September 2014 – Company to first named Trustee

"We've recently received a complaint from [original applicant] in relation to the above policy. However, as [original applicant] is not a policyholder, I'm writing to you about this as the principal trustee and policyholder".

23 September 2014 – Company's initial complaint response to the Complainant on the complaint

5 December 2014 – New Advisor to Applicants communicating original Adviser's decision to take a step back from this area of business.

18 June 2015 – Trustees to the Company - Formal complaint regarding sale of the holding in the Bond.

3rd July 2015 – Company to the Trustees

"[W]e did provide alternative options in respect of disposal of the fund. As we didn't receive an alternative instruction, your holding was subject to the default option"

Decision

During the investigation of this complaint by this Office, the Provider was requested to supply its written response to the complaint and to supply all relevant documents and information. The Provider responded in writing to the complaint and supplied a number of items in evidence. The Complainant was given the opportunity to see the Provider's response and the evidence supplied by the Provider. A full exchange of documentation and evidence took place between the parties.

In arriving at my Legally Binding Decision I have carefully considered the evidence and submissions put forward by the parties to the complaint.

Having reviewed and considered the submissions made by the parties to this complaint, I am satisfied that the submissions and evidence furnished did not disclose a conflict of fact such as would require the holding of an Oral Hearing to resolve any such conflict. I am also satisfied that the submissions and evidence furnished were sufficient to enable a Legally Binding Decision to be made in this complaint without the necessity for holding an Oral Hearing.

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A Preliminary Decision was issued to the parties on 27th February 2018, outlining the preliminary determination of this office in relation to the complaint. The parties were advised on that date, that certain limited submissions could then be made within a period of 15 working days, and in the absence of such submissions from either or both of the parties, within that period, a Legally Binding Decision would be issued to the parties, on the same terms as the Preliminary Decision, in order to conclude the matter.

Submissions dated 13th March 2018, 17th & 18th April 2018, were received from the Complainant by the Financial Services and Pensions Ombudsman after the issue of a Preliminary Decision to the parties. Submission dated 27th March 2018 was received from the Company by the Financial Services and Pensions Ombudsman after the issue of a Preliminary Decision to the parties. These submissions were exchanged between the parties and an opportunity was made available to both parties for any additional observations arising from the said additional submissions. I have considered the contents of these additional submissions for the purpose of setting out the final determination of this office below.

The issue for investigation and adjudication is whether the Company correctly and reasonably dealt with the 2014 Offer, in particular in relation to its communication of same to the Bond Trustees.

The Company states that it is a provider of a range of single premium international investment bond products in the UK market. The Company states that the Product, in which the applicants invested, allows policyholders to link the value of their bond to certain acceptable investments they select, in a tax-efficient manner. Such investments include a range of internal life funds offered by the Company as well as external assets such as open-ended investment companies (OEICs), unit trusts and deposit accounts. The Company says that third-party investment providers manage these external assets, which are not established or promoted by the Company. The Company states that instead it acts on an execution-only basis and cannot provide financial, investment, legal or tax advice to policyholders.

The Company submits that as a result, all investors, including the Trustees, must appoint a financial adviser to provide them with independent financial advice, to ascertain attitude to risk, and to review fund options when choosing an investment.

The Company says that each external asset selected for investment in a Company policy must be acceptable to the Company and comply with Revenue (UK)'s Personal Portfolio Bond rules. The Company states that if a policy holds assets that are unacceptable, there is a risk that such a policy could become a personalised portfolio bond. The Company states that this would have severe and adverse tax consequences for a policyholder. The Company states that a personal portfolio bond is not allowed by its policy conditions.

The Company says that the Policyholder's ability to invest in external assets is described in condition 4 (1) (b) of the Product's policy conditions:

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'any pooled investment or asset which is not established by [the Company] but which is approved by the Irish Financial Services Regulatory Authority and is acceptable to [the Company], providing that no asset can be selected or retained if it would make the Bond a Personal Portfolio Bond as defined by the Personal Portfolio Bonds (Tax) Regulations 1999 and successor legislation in the United Kingdom. '

The Company states that at the time of the Bond's initial investment in the Fund, the Fund was open-ended, which meant it was deemed an acceptable asset and it complied with the relevant rules and legislation. The Company says that subsequently however, the Fund became suspended with no indication as to when or if trading would recommence. The Company submit that as a result, and in the Company's opinion, the Fund no longer satisfied the regulatory definition of an open-ended fund. The Company submit that this meant the Bond was holding an unacceptable asset as per the Product's policy conditions and which could become a personal portfolio bond. The Company states that it is important to note that whilst life companies like itself may continue to hold assets for a time that were once acceptable but have subsequently become unacceptable through no fault of the policyholder, the life company has an obligation to remove the asset from the affected policy as soon as possible.

The Company submits that it received notification of the Offer in July 2014, which was facilitated by the fund manager. The Company states that it was a complicated offer with a very short deadline in which to respond and as a result, it approached Revenue (UK) to discuss the tax implications with them. The Company says that this took a few days as it was the first company to contact the Revenue (UK) and it was not a straightforward issue.

The Company states that the Company agreed that the Fund was no longer open-ended and thus, an unacceptable asset. The Company says it was Revenue (UK)'s position that the Company was obliged to accept the Offer and remove the Fund from the Bond; otherwise the Bond would become a personal portfolio bond. The Company's positon is that it is for these reasons that it had to accept the Offer and it cannot reverse the decision made or reimburse the Policyholder.

The Company states that it contacted the Financial Adviser by e-mail on a number of occasions to provide details of the Offer, so as to be in a positon to guide Trustees about their options.

Time line of communication about the Offer

27th June 2014 – Email sent to Financial Advisers whose clients' bonds were invested in the Fund with details of the Offer. Only acceptance of the Offer, (selling out of the Fund), required any action to be taken. The Company received an e-mail from the Adviser requesting a list of affected policyholders. The list included the Complainant's Bond.

30th June 2014 – The Company e-mailed the Adviser with the list of policies affected.

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1st July 2014 – The Company exchanged e-mails with the Adviser where the Advisor advised that they would notify the Company if any policyholder wished to accept the Offer made by the fund manager.

3rd July 2014 – the Company e-mails the same list of advisers again to let them know it had discussed the matter with Revenue (UK) and as a result of its view, it was left with no option but to accept the offer for all affected bonds.

7 July 2014 – The Company issued a third email communication to the same list of advisers as a follow-up to its first two emails about the Fund. In it, the Company answered some questions that it had received (from other financial advisers / policyholders) about the Fund and the view of Revenue (UK). Following this, the Company was unable to allow policyholders to retain holdings in the Fund (including the Policyholder).

The Company also provided the following three options for all affected policyholders in relation to their fund holding. The Company however states that, because of the tight deadline imposed by the fund manager, the Company needed a decision from these policyholders or on their behalf, by their advisers, by the end of that day:

1) *Policyholders could opt to buy the asset from their policy. This would involve paying 30% of the Net Asset Value ('NAV') into their policy in exchange for removing the fund from it and re-registering this into their name,*

2) *They could also 'withdraw' the fund from their policy. As this would have been a withdrawal across all segments of their policy, this would have greatly depleted their 5% tax deferred allowance. The value associated with this transfer would have been the full NAV of the fund, and not the 30% offer value.*

3) *The final and default option was to accept the fund manager's offer of 30% of the NAV in exchange for the sale of the Fund,*

The Company submit that these three options were provided because the Fund could no longer be held within the bond.

The Company did not receive a response from the Adviser in respect of the options available to the Bond. It states that as a result, and due to the very tight deadline imposed by the fund manager, the default option, the Offer had to be selected and the Company states it is not in a position to reverse this decision or reimburse the Policyholder.

Analysis

This investigation, adjudication and decision by this office on this complaint only concerns the Company's alleged acts or omissions. This Decision does not address or deal with any alleged act or omission of the Independent Financial Advisor. The Company would not be responsible for any alleged act or omission of the Independent Financial Advisor.

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In its post Preliminary Decision submission the Company referred to Findings that were issued by the Financial Services Ombudsman in 2016, where it was accepted that the options offered were over and above anything the Company was obliged to offer. However, it must be stated that in the present complaint my greatest concern was that better communication with the Trustees, should have happened. I would also state that each complaint is looked at on its own particular merits, and the amount of any payment or any other direction under a Decision would be dependent upon the particular facts of the complaint.

In their post Preliminary Decision submissions both parties raised an issue with the classification of the Preliminary Decision as being substantially upheld. The Complainant considered that the compensatory payment was not in line with a substantially upheld Decision and the Company considered that there was a contradiction in the Preliminary Decision as both substantially upheld and partially upheld were recorded in the Preliminary Decision. I accept that there was a contradiction in what was recorded on the face of the Preliminary Decision in that both *substantially upheld* and *partially upheld* were mentioned, but that partially upheld is what should have been recorded.

The Investment Bond's terms and conditions state that all assets held by the Bond must comply with tax rules and be acceptable to the Company. I accept the Company's positon that at the time of the Bond's initial investment, the Fund satisfied this criteria, but failed to do so once it became suspended with no indication of when or if trading would recommence. As a result, the Fund became an unacceptable asset, which, in accordance with the Bond conditions, could not be held by the bond. The Company did not receive a response from the Adviser regarding the communicated Offer within the very strict timeframe imposed on the Company by the fund manager, and so the Company accepted the Offer, otherwise the Bond would have become a personal portfolio bond contravening both Revenue (UK) Rules and the Product's policy conditions.

It is noted that upon receipt of the Offer, the Company issued a number of alternative options to the financial advisers of all affected policyholders in relation to their fund holding within the time constraints imposed on the Company. The Company advised that this was because the Fund could no longer be held within the bond and it was an attempt by the Company to treat policyholders as fairly as possible whilst continuing to operate within its policy conditions. It is the Company's positon that although it was not contractually obliged to offer such alternative options, in the best interest of their customers it says that it explored all possible avenues available within the strict time frame imposed, in an effort to propose practical solutions, in so far as it could, for policyholders.

While I accept the Company's positon with regard to the steps that it took in offering alternative options, I do have concerns on the manner in which it communicated those options to the parties to this complaint. In this regard the following is noted:

- Under the Bond terms and condition notifications from the Company were to go to the last known address for one or more of the Policyholders or to the last known address of the agent for any of the Policyholders.

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- The Bond was originally set up under the applicants own names, but later set up by them as Settlors under a trust instrument with appointed Trustees. Therefore, once the trust was set up, the Trustees became the Policyholders and notifications from the Company were required to be sent directly to the Trustees.
- The Company drafted and supplied the Trust document to the Complainants, and the Company must be taken to be aware of its content. In its letter of 28th March 2006 the Company advised that a copy of the completed Trust Deed was retained on the Company file. In this letter the Company advised: ***"We would like to confirm that future communications will be sent to the first named trustee".***
- The Company's complaint response (letter of 23rd September 2014) was that: ***"Our policy is to write to the principal trustee on all trust policies"***. In the same letter the Company gave a reason for not asking the Policyholders (who were now the Trustees) directly if they wanted to the take the Offer. The reason the Company gave was: ***"This was a complicated offer with a very short deadline. We contacted your adviser as they'd be in a positon to advise you about which option was best for you".***
- The principal trustee was the original applicants' relative. The second named trustee on the trust document is the original Financial Advisor. The original applicants were the Settlors' of the Trust. The Advisor that was in place when the Bond was first set up, was not later appointed / delegated as Advisor to the Trustees. There is no evidence before me to indicate that the original Financial Advisor was appointed as Advisor to the Trustees, but do note that the Company communicated to the Trustees on 16 April 2014 that the servicing rights to the policy were now held with the new agency.
- It appears (from the Company's emails dated 1 July 2014) that there had been an Agency Transfer whereby the original Financial Advisor's company was no longer trading, but clients were being serviced by a separate entity. This new Advisor advised the Company in July 2014 that it would communicate the Offer to the affected clients. However, it is the Complainants' position that such communication directly with the original applicants or with the Trustees did not happen. As previously stated, this Decision does not address or deal with any alleged act or omission of the Independent Financial Advisor. The Company would not be responsible for any alleged act or omission of the Independent Financial Advisor.

I accept that the Bond terms and conditions are different to those set out in the Trust Deed, and the Company had control over whether the fund subject to the Offer should or should not stay invested in the Bond. However, when the Company took the step of setting out alternative options on how the policyholders could deal with the Offer, it should have correctly communicated those options to the correct parties. As there were Trustees in place, the correct party that the Company should have contacted about the Offer, was the first named trustee and not the original appointed Financial Advisor. I accept that the Company was aware of the Administrative Powers of the Trustees and that the Trustees had the absolute discretion to:

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"deal with any policy of insurance or assurance or annuity comprised in the Trust Fund in all respects as if they were the absolute owners of it and in particular may surrender, convert or exchange the same in whole or in part and exercise any power election or option under a policy and borrow on its security and the receipt by the Trustee for any money payable under the said policy shall be a full and sufficient discharge; .".

It is also noted that none of the administrative powers specifically conferred on the Trustees were to be exercised in a manner: *"to dispose of any assets comprised in the Trust Fund during the Settlor's lifetime without the prior written consent of the Settlor (while capax)".* I am therefore, satisfied that it was imperative that the Company should have communicated the options directly to the first named trustee, or sought the evidence from the servicing agency that it had so communicated same to the trustees, but unfortunately, it did not.

That said, I accept that a communication of the options was made by the Company to an entity (the Financial Advisor that was in place and providing a service in relation to the Bond), and I consider that it was not unreasonable of the Company to expect that the information would have reached the Settlors or Trustees from that source. This is so as that entity communicated to the Company that it would so communicate with its clients. However, I consider that it would have been prudent of the Company to have sought a confirmation from the servicing agent that this had been done. I also consider that the parties, that is, the Company, the original applicants and / or the Trustees, could have reasonably agreed what the continuing role was to be played by the Advisor/ servicing agent, once the Bond was put under Trust, but do not appear to have done so. I therefore do not consider that the Company should be made liable for the losses that resulted from its decision to apply the default option of selling the fund when it did not receive any communication to the contrary from any party. However, for its identified failure to clearly communicate with the Trustees on the options, or establishing that the servicing agent had done what it said it would do in relation to same, I do consider that a substantial compensation payment for the benefit of the trust fund is merited here. Having regard to all of the above it is my Legally Binding Decision that the complaint is partially upheld and I direct that the Company pay the Trustees €15,000 (fifteen thousand euro) for the benefit of the Trust.

Conclusion

- My Decision pursuant to ***Section 60(1)*** of the ***Financial Services and Pensions Ombudsman Act 2017***, is that this complaint is partially upheld, on the grounds prescribed in ***Section 60(2)(g).***

- Pursuant to ***Section 60(4)*** of the ***Financial Services and Pensions Ombudsman Act 2017,*** I direct that the Respondent Provider pay the Complainant the compensatory payment of €15,000.

- Pursuant to ***Section 60(6)*** of the ***Financial Services and Pensions Ombudsman Act 2017,*** I direct that interest is to be paid by the Provider on the said compensatory

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payment, at the rate referred to in ***Section 22*** of the ***Courts Act 1981***, where the amount is not paid by at the expiry of the 35 day appeal period.

- Pursuant to ***Section 60(8)*** of the ***Financial Services and Pensions Ombudsman Act 2017,*** the Respondent Provider is now required, not later than 14 days after the expiry of the 35 day appeal period to notify this office in writing of the action taken or proposed to be taken in consequence of the said direction/s outlined above.

The above Decision is legally binding on the parties, subject only to an appeal to the High Court not later than 35 days after the date of notification of this Decision.

GER DEERING
FINANCIAL SERVICES AND PENSIONS OMBUDSMAN

27th April 2018

Pursuant to *Section 62* of the *Financial Services and Pensions Ombudsman Act 2017*, the Financial Services and Pensions Ombudsman will publish legally binding decisions in relation to complaints concerning financial service providers in such a manner that—

(a) ensures that—

(i) a complainant shall not be identified by name, address or otherwise,

(ii) a provider shall not be identified by name or address,

and

(b) in accordance with the Data Protection Acts 1988 and 2003.