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Aimed at financial firms and professional advisers – and at consumer advice agencies – we focus each month on news from one of our three case-handling divisions: insurance, banking and loans, and – this month – investment.



about this issue of ombudsman news

by **Jane Whittles**
principal ombudsman
investment division

This second investment edition of *ombudsman news* again reflects a very busy period. Mortgage endowment complaints continue to dominate our caseload and we summarise the mortgage endowment complaints assessment guide we published recently. We hope firms will choose to adopt the procedures in this guide, which are designed to provide a fair basis for resolving these complaints within a reasonable time.

In this edition we also:

- take a look at some pension review issues, including 'no-loss' pension review cases;
- outline our treatment of cases involving windfall payments, pending the result of the ruling in the High Court;
- examine some matters arising from the court ruling in the Equitable Life case;
- report on the establishment of the Investment Liaison Forum; and
- bring you up to date on some of our preparations for when the Financial Services and Markets Act comes into force later this year.

Complaints about spread betting and investment performance feature in our case studies, as well as a selection of recently-concluded investigations which illustrate the range of other complaints we receive.

We were pleased to receive so much positive feedback about our first edition and hope you will continue to find *ombudsman news* a useful source of information about our activities.

1 mortgage endowment complaints assessment guide

background

On 29 May 2001, the Financial Services Authority (FSA) published its Regulatory Update 89 and Guidance on Mortgage Endowment Complaints, setting out the principles that regulated firms should apply when they deal with complaints about mortgage endowment policies. In the light of this regulatory guidance we have developed new procedures and tools that we will use when we consider mortgage endowment complaints. You can obtain full details from our website at www.financial-ombudsman.org.uk Hard copies of our assessment guide for mortgage endowment complaints are available on request on 020 7964 0370

We hope that any firms handling mortgage endowment complaints will choose to adopt our procedures. They are designed to provide a fair basis for resolving complaints in accordance with legal principles and regulatory guidance, and to ensure that people with complaints receive appropriate offers of compensation in a reasonable time.

By making our process transparent, we aim to:

- promote a clearer understanding among firms and consumers of what we consider to be the correct approach to investigating complaints;
- achieve greater consistency of approach in determining liability and compensation for complaints – whether they are dealt with by the ombudsman or by firms themselves, without referral to the Financial Ombudsman Service;

- clarify the main issues that we consider and the principles we follow in upholding or rejecting individual complaints; and
- indicate the links we make between types of upheld complaint and appropriate forms of compensation.

calculating compensation

The main issue the FSA guidance deals with is the approach to calculating the compensation payable if a mortgage endowment complaint is upheld. Compensation will now have to be based on a comparison of the consumer's current position with the position he or she would have been in had a repayment mortgage been recommended and taken out instead of an endowment mortgage.

This new basis of calculation is much more exact, and necessarily much more complex, than the previously most commonly-used method of compensation – refunding premiums plus interest. The new basis of calculation is also being introduced at a time when we and firms are both continuing to receive increasing numbers of mortgage endowment complaints. Our aim has been to streamline the process as far as possible, so that we can cope with the likely volume of cases and resolve them within a reasonable time.

... we have developed new procedures and tools that we will use when we consider mortgage endowment complaints

policy guarantees

There is also another reason for upholding a mortgage endowment complaint. This is where consumers allege that, at the outset, they were given a guarantee of their endowment policy's maturity value, and the ombudsman considers that a binding guarantee has been shown to exist. This situation is covered in the assessment guide in decision tree number 19, where we refer to an internal guidance note on the subject. That guidance note is also now available on our website.

the assessment documents

We have refined the endowment mortgage questionnaire, first introduced in October 2000, which we ask people with mortgage endowment complaints to complete. We have also developed a new set of documents and reference guides to structure our approach to mortgage endowment complaints. These comprise:

- an assessment template to record factual information about the complaint, the issues identified, our findings and, if appropriate, the compensation;
- a list of the nature of complaint identified, so we can record this information consistently and use it for analysis in the future;

- decision trees which document the factors that should be considered in reaching a decision on whether to uphold or reject a complaint and suggest appropriate types of compensation, if applicable; and
- a list of the categories of redress, setting out the types of compensation methodologies available.

For complaints where a case-specific calculation on actual figures is not being undertaken, we also include a table of average historic decreasing term assurance (DTA) rates that may be used to produce an estimate of the premiums that would have been charged in past years for life cover accompanying a repayment mortgage.

calculating compensation

In its guidance, the FSA describes the way in which the comparison of an endowment mortgage and a repayment mortgage should be carried out, once it has been established that this form of compensation may be due. One element of the calculation is the comparison of capital – comparing the endowment policy's surrender value with the amount by which the outstanding balance on an appropriate repayment mortgage would have decreased since the endowment mortgage was taken out.

A separate element of the compensation calculation is comparison of the monthly outgoings – comparing how much the interest-

... we hope that firms handling mortgage endowment complaints will adopt our procedures

only mortgage and the accompanying endowment policy have cost the consumer in monthly payments so far, measured against what a suitable repayment mortgage (with any necessary life cover) would have cost over the same period. If the monthly outgoings under the endowment mortgage were higher than under the alternative repayment mortgage, this gives rise to a loss. But if the monthly cost of the endowment mortgage was lower than a repayment mortgage, the consumer may have benefited from these 'notional savings' and some account may have to be taken of this in calculating overall compensation.

comparison of the capital position

Comparing the capital and outgoings elements of an endowment mortgage with a repayment mortgage is a complex calculation in itself, and we have concluded that we need to purchase computer software to assist us with this. The software must:

- contain the actual standard variable rates of interest charged by each of the major lenders over the past 15 years;
- allow customisation to reflect special deals such as fixed, discounted or capped rates that may have applied to one or both types of mortgage in a particular case;
- use the individual lenders' different methods of operating accounts and the timing of their year end, balance and interest calculations; and
- take account of the consumer's payment history, for example any lump sum repayments made, payment holidays or arrears.

We have bought a licence to use software designed for this purpose, called Mortgage Fundamentals, produced by Exasoft Limited. Mortgage Fundamentals contains information from most of the major UK mortgage lenders about the historic interest rates they have charged and the account operating procedures they have used, up to the present day. It also incorporates the other features mentioned above and enables us to calculate easily, and with a good degree of accuracy, the actual capital and outgoings losses and gains for each complaint. We are aware that other similar software products are being developed.

taking account of notional savings

As well as comparing the capital position, it is appropriate to consider any 'notional savings' consumers have made over the period the mortgage endowment has been in existence. Consumers may, however, have spent such notional savings on general living expenses rather than actually saving the money. The FSA has stated that if the complainant was advised or informed at the point of sale that he or she would have lower outgoings under an endowment mortgage than under a repayment mortgage (whether or not this was quantified), and, on the strength of this information, has spent these notional savings, then it would be likely to be inappropriate to take them into account.

... our aim has been to streamline the process as far as possible

As part of the normal advisory process, most firms would have provided information to enable their customers to consider the alternatives available to them. This may have taken the form of a discussion or even have involved production of illustrations for comparison. We therefore believe, on the basis of our experience to date, that there are likely to be a significant number of cases where it will be inappropriate to take notional savings into account.

However, where for some reason the customer was not advised or informed at the point of sale that he or she might have lower outgoings under the endowment mortgage than under a repayment mortgage, the FSA guidance states that it may be appropriate to take account of some or all of the notional savings, if the customer is of sufficient means for a firm to assume the savings contributed to those means.

The FSA guidance also makes the point that the full amount of notional savings should never automatically be taken into account in these circumstances. The guidance mentions ways in which assessment may be carried out to arrive at a figure that it is reasonable to include in the compensation calculation.

These ways are:

- a) the firm may choose to disregard in their entirety any notional savings the customer made as a result of having had lower monthly outgoings under the endowment mortgage; or
- b) if the firm wishes to reduce the compensation figure by an amount in respect of all or part of any notional

savings the customer made as a result of lower monthly outgoings, it must carry out a full assessment of the customer's present financial circumstances to establish that he or she has sufficient means to make it reasonable for the firm to do this;

alternatively

- c) the firm may adopt streamlined processes to assist them in individual assessments of customers' means, subject to the need to ensure the customers' position is protected.

Conducting a full assessment of a customer's present financial circumstances raises a number of practical difficulties. The foremost is that the customer has to provide a great deal of personal financial information about his or her present circumstances, to allow the firm to decide the amount it might be reasonable to deduct from the compensation figure for notional savings arising from lower monthly outgoings. The information required is likely to include: current income; average expenditure; value and type of all assets; type, term and amount of all debts; details of dependants; and any other information relevant to the individual case.

We are concerned that widespread use of the full assessment methodology could lead to delays in resolving complaints where customers were not advised or informed about possible notional savings. The full assessment methodology might require an extended exchange of correspondence between all parties, to collect the information and discuss any disagreements that could arise over the

... we face the prospect of having to deal with an estimated 13,000 mortgage endowment complaints in the year 1 April 2001 to 31 March 2002

reasonableness of any notional savings taken into account. We recognise that customers may also consider the need to provide this level of information intrusive of their privacy, especially as they would have to give the information to a firm in which they may have lost confidence. However, the FSA guidance confirms that complainants must provide such information as the firm reasonably requires if they wish to dispute any amount the firm seeks to deduct in respect of notional savings.

We face the prospect of having to deal with an estimated 13,000 mortgage endowment complaints in the year from 1 April 2001 to 31 March 2002. We hope that, in the light of the FSA guidance, it will not be necessary to carry out a full assessment of individual customers' current finances in significant numbers of cases.

We will keep this matter under review. If the number of cases where it may be appropriate to take some notional savings into account becomes significant, we may consider introducing a more streamlined approach as part of our decision-making process. Any such approach would be designed to replace the need for a full assessment of the individual consumer's financial circumstances, while allowing for the impact on ongoing affordability of deducting any notional savings from the compensation calculation.

We will also review our experience of applying the FSA guidance in the light of the change in the terms of our jurisdiction after 'N2', the date when the new complaints-handling rules come into force, to ensure our policies are appropriately harmonised across the different areas of our remit. We welcome any comments on these issues from interested parties.

updates

We will add other useful explanatory information to our website as it becomes available, to assist in the use of our assessment guide.

training

Firms wishing to receive training on how the Financial Ombudsman Service uses this process should contact Caroline Wells, our external liaison manager, on 020 7964 0648, (email caroline.wells@financial-ombudsman.org.uk)

2 redress for mis-sold pension contracts – a briefing note

We last considered the subject of redress for pension contracts in the December 1999 issue of the Personal Investment Authority Ombudsman Bureau's *News from the Ombudsman Bureau*. Since then, we have had further discussions with the Inland Revenue. Following organisational changes at the Inland Revenue, since April 2001 the Pensions Scheme Office (PSO) and the Financial Intermediaries and Claims Office (FICO) have ceased to exist. From that date, these offices became part of the new Inland Revenue Savings, Pensions, Share Schemes business stream (IR SPSS).

This further briefing note does not alter the view published in December 1999 but seeks to clarify the issues that have arisen since, and our approach. We hope it will provide firms with additional clarification and allow all parties to resolve complaints more efficiently.

pension review complaints

The redress methods available for personal pension mis-selling are strictly governed by the regulator's pension review guidance and we require firms to act in accordance with that guidance. Reinstatement into the consumer's former occupational pension scheme is the preferred option for redress, as set out in the regulator's guidance. However, reinstatement is entirely at the discretion of

the occupational scheme's trustees, so is not always possible. In such cases, the only other option under the guidance is augmentation. This requires a payment of money into the consumer's personal pension fund to boost its value – so that the estimated retirement benefits from the personal pension policy match, as closely as possible, the predicted retirement benefits from the former occupational pension scheme.

When a firm completes a loss assessment in accordance with the guidance and *either* makes an appropriate offer of redress *or* finds the advice has not resulted in financial loss, then in line with our Terms of Reference (amended on 4 November 2000) we will endorse the redress offered to the consumer or make no award if there is no loss. In the very rare situation where we do not consider the guidance addresses the particular circumstances of the case, we will decide the compensation on the specific facts and circumstances of the complaint.

Following the changes to the PIA Ombudsman's Terms of Reference referred to above, the ombudsman is no longer able to make an award to an investor where a PIA-regulated firm has conducted a review of the investor's pension arrangements in accordance with the regulator's published guidance.

'If an investor is aware of a shortfall and makes a complaint, the ombudsman could make an award where there is prima facie evidence of loss. The burden is upon the complainant to

... we will decide the compensation on the individual facts and circumstances of each complaint

provide such evidence. In addition, the ombudsman would have to be satisfied that the regulated firm had either departed from the guidance in conducting its review or had otherwise miscalculated the investor's losses.'

'It is accepted that many investors do not have the means to assess whether a PIA-regulated firm has calculated the loss correctly. However, a full analysis of the calculations would have to be conducted by an actuary or similarly qualified individual. Where an investor obtains such assistance, the ombudsman will only make an award for costs if it can be shown that the firm's calculations are deficient.'

pension mis-sales – in relation to non-pension review complaints

We have been asked to clarify whether it is possible to rescind pension contracts. The ability to do this applies only to personal pension plans, retirement annuity contracts and Free Standing Additional Voluntary Contribution (FSAVC) contracts sold by product providers. It is not possible to rescind contracts relating to occupational pension schemes. A different body – the Pensions Ombudsman – normally deals with complaints about occupational schemes, but where such complaints come to us, we will continue to decide compensation on the individual facts and circumstances of each complaint.

pension mortgages

We have also been asked whether it is possible to rescind personal pension contracts where they were sold in conjunction with a mortgage.

It has been agreed with the Inland Revenue that although personal pensions and mortgages are stand-alone products, the reality is that some investors are advised to take out a pension policy to use as a repayment vehicle for an interest-only mortgage. Where we consider such advice to have been unsuitable, investors should not be made to retain a long-term contract which does not meet their requirements.

is Inland Revenue approval required?

In cases where we direct that the appropriate remedy is to rescind the pension contract, the product provider does not need to seek approval from the IR SPSS. The product provider should pay the appropriate redress to the investor and then make a full report to the IR SPSS in Bootle so that any outstanding tax relief can be recovered. However, product providers should advise self-employed investors who have obtained tax relief, and employees who have benefited from higher rate tax relief, to notify their tax office of the situation.

sales by independent financial advisers (IFAs)

The rescinding of unsuitable pension contracts applies only to cases where a product provider makes the sale, as the product provider is party to the contract. We cannot order the pension contract to be rescinded where the sale was made by an IFA (who is not party to the contract) and in such cases we will continue to apply the existing forms of redress, as follows:

unsuitable sales – not mortgage-related

For cases which are not mortgage-related, but where the pension contract is unsuitable, the appropriate compensation payable is normally calculated as the sum equal to the net premiums paid into the plan, plus interest for loss of use of the money, less the current transfer value of the pension plan.

The pension plan itself remains in existence, unaltered.

unsuitable sales – mortgage-related

For cases that are mortgage-related, where the pension contract is unsuitable, the appropriate compensation is normally calculated as the sum equal to the total amount of capital reduction that would have been achieved had the investor taken out an equivalent repayment mortgage, less 25% of the pension plan's current transfer value. The pension plan itself remains in existence, unaltered. However, we will decide the compensation on the individual facts and circumstances of each complaint, particularly where the pension contract cannot continue because of affordability problems or where a related pension review issue remains outstanding.

queries

all queries about our approach to redress for mis-sold pensions, or other pension issues, should be sent to Alan Larnar, Manager - Pension Team, Investment Division Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR
phone 020 7964 0318
email alan.larner@financial-ombudsman.org.uk

Where necessary, we will liaise with the IR SPSS so please do not direct your query to them.

3 treatment of cases involving windfalls

In the February 2001 issue of *ombudsman news* we noted that the PIA Ombudsman Bureau had received a test case notice relating to a complaint involving windfall payments and the pensions review guidance. The point at issue is whether, when determining the size of compensation due in a pensions review complaint, account should be taken of any windfall repayments the customer received as a result of the advice to take out the personal pension.

The PIA Ombudsman Bureau has supported the parties' submission to the High Court that the case should be heard as soon as is practicable and a hearing is now scheduled for late July. We feel it reasonable, in these circumstances, to await the final result of the court case before we reach a final decision on relevant complaints.

The PIA has set out its current position in Regulatory Update 89 and has allowed regulated firms to suspend a review in the following circumstances:

- where the case has been progressed to the point where the windfall has become a relevant consideration in calculating loss;
- where an offer has been made and has not been accepted.

This will clearly have an impact on both the number of pension review cases we receive and our ability to bring to a conclusion those we have already received. However, this does not mean we will suspend all our investigations into cases involving windfalls while we await the

outcome of the court case. The first stage of the review procedure is to determine whether, in recommending the customer to opt out of, not join, or transfer from a relevant occupational pension scheme, the firm has been negligent or has failed to comply with regulatory obligations. We see no reason for not progressing this part of the investigation. If we find there has been negligence or non-compliance, we will then move on to examine whether the customer suffered any loss. It is at this stage that we may need to take account of the impact of any potential ruling in the court case. Consequently, we will follow the spirit of Regulatory Update 89 and progress our investigation to the point where the windfall has to be considered.

While we wait for the court's judgment, we see no reason why, after we have concluded that there was initial negligence or compliance failure in an individual complaint, the firm should not then go on to gather the information necessary in order to calculate loss in accordance with the guidance. We believe the calculation should then be undertaken as soon as is practicably possible after the outcome of the test case is known.

... this does not mean we will suspend all our investigations while we await the outcome of the court case

4 issues relating to matters referred to the courts by Equitable Life from December 1998

policies with guaranteed annuity rates

In July 2000 the House of Lords reached its decision in the case of *Equitable Life v Hyman*. The issue at stake was whether policyholders whose policies contained guaranteed annuity rates should enjoy the same terminal bonuses as policyholders whose policies did not include these rates.

Complaints about these policies started arriving at the PIA Ombudsman Bureau in July 1998. The majority related solely to the issue now resolved by the House of Lords. Both the PIA Ombudsman Bureau and Equitable Life are required to recognise the House of Lords judgment. Most of the investors who complained to the PIA Ombudsman about the original question have accepted this and are now being included within the 'rectification scheme'. This is a scheme being set up by Equitable Life, with the approval of the FSA, as a direct result of the House of Lords decision. The scheme is a means for Equitable Life to give effect to that decision.

Our position regarding complaints brought to us that concern only the issue now resolved by the Lords, is that we can do no more than require Equitable Life to act in accordance with the House of Lords judgment, and to deal with matters in accordance with the rectification scheme.

subsidiary annuities

A number of the Equitable Life complaints that reach us have identified other issues concerning the interpretation of the contract terms and conditions of subsidiary annuities (for example, the decision to take a spouse's pension or a guarantee period). Specifically, these investors have asserted that these subsidiary annuities should enjoy the benefit of the guaranteed annuity rates.

We judge each complaint on its own merits and not all Equitable Life policies are worded in the same way. We therefore need to consider the individual policies carefully to decide what is and is not allowed. However, the majority of the complaints referred to us on these matters have a wording that we have interpreted as not allowing the policyholders to have the benefit of the guaranteed annuity rates on any element of their annuity that they sacrifice for the benefit of a subsidiary annuity. Generally, these policyholders should retain the benefit of the guaranteed annuity rates on the element of the benefit they take in the form permitted by the policy wording. However, for any element that they sacrifice for a subsidiary annuity, the calculations are properly made at current annuity rates.

alleged mis-selling

In recent months we have received several complaints alleging mis-selling of products after the matter was referred to the courts,

and, indeed, sometimes before that. The assertion is that Equitable Life and its officers knew, or should have known:

- the potential for an unfavourable decision in the courts; and
- what the potential consequences could be, including the firm's potential exposure if terminal bonuses had to be included in the calculation of benefits for policies that included the option of guaranteed annuity rates.

Our investigation of these complaints has been overtaken by the fact that, through the Treasury Select Committee, Parliament has asked several bodies, including the FSA, to establish whether, as a result of misrepresenting the potential exposure to an unfavourable decision in the courts, Equitable Life mis-sold policies during the period under consideration.

In order to make a final decision on a complaint, we have to consider all the relevant facts. It would be inappropriate for us to continue looking into complaints where relevant issues are being investigated elsewhere and additional information will become available as a result. We have therefore suspended our consideration of these complaints until the results of the investigations are available.

Other issues

market value adjustments

Since the House of Lords judgment, a number of other issues have come to the fore, many of them precipitated by the subsequent difficulties Equitable Life has experienced. It has been alleged that, for various reasons, it is wrong for Equitable Life to apply the market

value adjustment (MVA) to withdrawals from the with-profit fund. The MVA is an adjustment made to the value of withdrawals from the with-profit fund to ensure that, where there are a large number of withdrawals from the with-profit fund, the remaining policyholders with investments in that fund are not unfairly disadvantaged. As we have stressed, we consider each case on its own merits. We do, however, note that MVAs are relatively common in with-profits policies and that, to date, Equitable Life's application of the MVA has not been considered unreasonable by its regulator. We are also aware that some policyholders have referred the application of MVAs to the Office of Fair Trading and that the Office of Fair Trading has now referred the matter to the FSA.

reduction of bonuses

We have received some complaints that the reduction of bonuses is wrong. Such matters are normally outside the PIA Ombudsman's Terms of Reference, which state (6.2):

'The ombudsman shall have no power to investigate or consider a complaint if the complaint is in respect of a life policy investment, to the extent that it concerns those actuarial standards, tables and principles which the firm may apply to any such policy including in particular (but without being limited to) the method of calculation of surrender values and paid up policy values and bonus system and bonus rates applicable to the policy in question (provided that this shall not preclude the ombudsman from considering any complaint to the extent that it concerns the application of the PIA rules, or if relevant, the rules of any other recognised body or organisation ...'

5 performance management

management fees

In November 2000, AUTIF (the Association of Unit Trusts and Investment Funds) organised a survey of 503 people chosen at random from those who contacted its Unit Trust Information Service. These people were told some of the reasons investors had given for choosing investment funds rather than another type of investment, and they were then asked to state how important each of these reasons was to them.

The principal reason that the people surveyed gave for preferring investment funds rather than other investments was that they give investors 'the chance to make more money than from a bank or building society'. 'Professional fund management' was another popular feature, especially among those with a better understanding of investments funds; it was cited by 61% of respondents, 5% more than in a similar survey undertaken the previous year.

As in previous years, 'past performance' was the factor that those in the survey thought the most important when they were selecting a specific investment fund. The FSA has initiated a debate in this area and is excluding past performance from the comparative tables it is launching to help consumers make an informed choice on a range of different investment products.

Our own experience reflects the findings of the AUTIF survey that, currently, investors do rely heavily on past performance when selecting a specific investment fund. A significant number of the complaints we deal with under the rules of the Office of the Investment Ombudsman are from investors who are unhappy with the performance of their investments and seek a refund of all or part of the management charges.

Generally speaking, the fact that an investment has performed badly is not something the ombudsman will treat as a valid complaint, because of the subjective nature of investment management and investment selection. For a complaint of this nature to succeed, it will be necessary to show that the investment manager has been negligent. Investment management calls for the making of fine judgements based on subjective elements. The fact that such judgements may subsequently turn out to have been 'wrong' (in the sense that – with the benefit of hindsight – a different course might have produced a different or better result) does not of itself prove negligence.

... generally speaking, the fact that an investment has performed badly is not something the ombudsman will treat as a valid complaint

Furthermore, although there are many different techniques involved in recommending or selecting investments, the one thing they have in common is that they do not always work. Quite simply, unless an express or implied guarantee is given, there is no guarantee of success. We will not usually recommend that a firm refunds its management fees unless we are satisfied there has been a total failure to manage.

... investment management calls for the making of fine judgements based on subjective elements

case studies – performance management

■ 05/01

In 1994, Mrs A agreed with the bank that it would manage her portfolio. After her death her daughter, Mrs J, who was an executor of her estate, complained to us. She alleged that the portfolio's performance did not justify the fees charged. These totalled £6,841 - comprising £2,887 in management fees and £3,954 commission.

We were satisfied that the bank's charges for its investment management service were clearly set out in the literature it provided to clients before they entered into the management agreement. Mrs A had agreed to these charges when she entered into her agreement with the bank, so there were no grounds for upholding the complaint.

.....

■ 05/02

In 1998, Miss B inherited £6,000. She invested it in a PEP (Personal Equity Plan) on the basis of advertising material which, she claimed, referred to previous fund performance providing a growth of 97.3%. By April 2001, the value of her investment had fallen to £4,219. She asked us to recommend that the firm paid her compensation comprising the equivalent of the value of her original investment plus £4,000 for lost growth, in line with the performance she felt she had been promised.

Miss B acknowledged that markets could be volatile and she accepted that investment managers could make mistakes. However, she stated that she did not expect mistakes to be made with her money.

We were satisfied that the complaint was based purely on investment performance and – bearing in mind that the product documentation contained adequate risk warnings – we could see no evidence of negligence or misrepresentation. We therefore did not uphold the complaint.

.....

6 spread betting complaints

In the February 2001 issue of *ombudsman news* we included an example of a spread betting complaint we had received.

Derivatives-related complaints, including those about spread betting, form a small but significant part of the caseload for the area of the investment division that deals primarily with investment management issues.

As we noted in February, derivatives are high-risk investments and not for the inexperienced. Two recent cases illustrate the problems which occur when such products are offered to investors who have little or no understanding of the nature of these investments.

... spread betting is volatile and people can lose substantial amounts of money

case studies – spread betting

■ 05/03

Mr G contacted us after he had run up trading losses of £110,000 with three separate firms. He was concerned that he had been able to open accounts with these firms despite having no history of trading in such areas, and he thought the firms should be required to compensate him for his losses.

His letter stated: *'I have to think very deeply about how I find myself in this position when I have never ever had any experience of either gambling or trading of any kind. In fact my investment profile has always been that of life savings held in unit trusts and just a dabbling in individual shares and warrants. I made no attempt to conceal either my ignorance of this form of equity exposure or the fact that I was a complete novice in this area. Nevertheless, I was able to open up extremely large positions even though I was obviously totally unable at the time to estimate the extent of my exposure and clearly had no trading experience or skills to manage these positions.'*

'I believe I was swept up in the hype of the market like many, but also had the misfortune to fall into a sophisticated marketing and PR campaign promoting spread betting to retail investors as a tax efficient way of gaining equity exposure.'

We were unable to assist him. Each of the firms appeared to have complied with the regulator's rules in requiring him to sign the appropriate risk disclosure notice and customer agreement. As an execution-only client (that is to say, one to whom no advice was provided) the onus was on Mr G to establish whether such trading was suitable for him. In addition, in at least one of the cases he appeared to have presented himself to the firm as someone with experience of the derivatives market.

.....

■ 05/04

Mr J contacted us after a firm threatened him with court proceedings to recover the debt he owed. He accepted responsibility for the debt but was not in a position to pay it. He felt the firm should accept some level of blame for allowing the debt to accumulate unchecked and he considered that the firm should have enforced limits on his account.

Mr J had begun betting regularly in June 2000, on Euro 2000 and other sporting events. Despite some initial success, by the end of that first month he had accumulated a debt of over £1,000. Three months later, in one evening alone he lost over £600 on the result of a European football match, and two days later he lost a further £500. By the time he closed his account, in October 2000, he owed £1,800.

At that time he still had three open bets, on football games in the English Premier League. The firm immediately closed the bets at a loss. Mr J disputed his liability for those losses, arguing that the firm should have allowed the bets to run, despite the risk that they might have further increased his losses.

He wrote to us as follows: *'I was wrongly offered a credit limit of £2,000 based on nil savings and a salary of £12,000. No restrictions were placed on any of my bets and in four months of trading, I was only ever once asked to make a payment of any kind and that represented a small fraction of my total debt at that particular time ... Only after my final two 'investments' lost me well in excess of a month's salary in the space of two days did I contact them and ask for my account to be closed.*

'I was nothing more than a casual gambler who bet for fun until I was given a £2,000 credit limit ... As I spiralled out of control, I became ill from my own depression and acted and invested irrationally - left unchecked and out of my depth.'

The firm admitted that, 'With the benefit of hindsight, Mr J was an unsuitable candidate for spread-betting. However, he had signed a declaration that he had received, read and understood our rules and regulations. These do include

warnings that spread betting is volatile and that people can lose substantial amounts of money.'

The firm agreed not to pursue its court action provided Mr J paid off the debt at £50 per month. It also agreed to review the situation after 18 months, provided the repayments had been regularly forthcoming over that period.

7 introduction of complaint form for customers of SFA-regulated firms

preparing for the new regime

We have recently introduced a complaints form for customers of firms regulated by the Securities and Futures Authority (SFA) to use if they submit a complaint to us. The use of the form brings the SFA Complaints Bureau into line with the other complaints-handling organisations that form the Financial Ombudsman Service, and is part of our preparations for when the Financial Services and Markets Act 2000 comes into force – expected by the end of November 2001.

complaints form

We hope that by standardising the information we require about complaints, the form will make it easier for firms to pinpoint the exact nature of the customer's grievance. As the form also requires customers to specify how they would like the firm to put the matter right, it should enable us to identify at an early stage whether there is a realistic prospect of conciliation.

SFA-member firms wishing to obtain copies of our new leaflet for investors which explains how our new service works should contact:
Giulio Casizzi on 020 7964 0524
direct fax 020 7964 0525
email giulio.casizzi@financial-ombudsman.org.uk

further information

We recognise that the new framework for handling complaints brings with it some rules and procedures that will be new to SFA-member firms. If you would like us to visit your firm to talk about the new procedures, please contact Caroline Wells, our external liaison manager, on 0207 964 0648, or email caroline.wells@financial-ombudsman.org.uk

... the new form will make it easier for firms to pinpoint the exact nature of the customer's grievance

8 a selection of recent cases - illustrating the range of complaints dealt with by the investment division

■ 05/05

**These customers claimed their adviser
'guaranteed' a certain level of benefit
from their personal pensions.**

In January 1990, Mr W and his brother were each sold a personal pension plan with an annual premium of £10,000. They said the adviser guaranteed they would receive a pension of at least £520 and £600 per week respectively.

When the elder of the brothers reached retirement, he discovered the annuity would be far less than he had been led to believe. The adviser denied having given any guarantees. However, the recollections of a second adviser, who was present when these pensions were sold, appeared to confirm the brothers' version of events. We therefore held a hearing to try and establish exactly what had been said.

At the hearing, the adviser continued to maintain he had given no guarantee. The second adviser recalled certain figures being discussed but could not recollect his colleague saying the figures were guaranteed. The brothers said they had checked with the firm in 1997 that the pensions were still on track to provide the guaranteed amounts, and they had been assured this was the case. The brothers' solicitor argued that his clients were given a guarantee at the point of sale and that this constituted a binding oral contract.

The firm denied there had been any guarantee and said the fact that the investors had checked the pensions' performance in 1997 was at odds with their claim that they had received guarantees. The firm also referred to the illustrations the investors were given, which showed that the benefits at retirement were not guaranteed.

We concluded there was insufficient evidence that the adviser had given a guarantee. However, we were concerned about the standard of the advice he had provided. His explanation of what he had said at the point of sale was somewhat misleading, and our investigation revealed that he had advised the brothers to cancel two other policies without justification. In addition, the firm's record keeping was inadequate.

We thought the adviser had failed in his duty to advise with reasonable skill and care, particularly bearing in mind that, because of their lack of pension knowledge, both brothers relied heavily on him to give appropriate advice. We awarded each brother the maximum amount of compensation for distress and inconvenience. We also ordered the firm to reinstate the brothers' cancelled policies and meet the costs of the brothers' solicitor in representing them at the hearing.

■ 05/06

A defective deed of assignment and a joint life endowment policy.

A few months after Mrs A and her husband separated, she contacted the firm from which they had bought a joint-life endowment policy. She was told she no longer had any access to the policy. Acting on receipt of a deed of assignment, the firm had assigned the policy to her husband, leaving her with no entitlement to any of the benefits or proceeds.

After asking the firm to send a copy of the deed of assignment, Mrs A's solicitor drew the firm's attention to the defects he found in it. The firm subsequently confirmed that it should never have accepted the deed because of the defects. However, some nine months later, the firm contacted Mrs A's solicitor again to say that the deed was valid after all.

One of the letters Mrs A's solicitor sent to the firm had suggested that she did not recall signing the deed, but this was never pursued. However, she disputed the deed's validity on the grounds that it contained defects.

A deed may contain defects and still be valid. When we looked into the case we decided that despite its defects, this deed of assignment made it clear that Mrs A assigned all her interest in the policy to her husband.

She had objected to the fact that a member of her husband's family had signed the deed as a witness, but this did

not render the deed invalid since there was no requirement that the witness should not be a family member.

We concluded that the firm had not been at fault in accepting the deed. There was no reason to doubt its authenticity and its purpose was clear.

The following two complaints concern firms' administration.

■ 05/07

Ms J encountered administrative problems in her dealings with a firm from which she was entitled to receive a windfall, following its demutualisation. She complained on several occasions after she realised she had not been receiving correspondence about the demutualisation.

Despite the firm's repeated assurances that its record of her address was correct, the problems continued. Eventually, she discovered that the firm had confused her details with those of another policyholder with similar initials and the same date of birth. The firm offered £100 as compensation for the inconvenience it had caused, but she rejected this offer.

When she received her windfall payment, the cheque was made out in the name of the policyholder with similar initials, and the payment related to that person's policy, not to hers. The cheque was for just over £300 more than she was entitled to. After she returned the cheque and lodged

another complaint, the firm said it would send her a cheque made out in the correct name. She would receive a higher amount than the sum she had been expecting, in recognition of the inconvenience and distress she had been caused.

When Ms J received the new cheque, her name was correct but the sum did not include the compensation she had been promised. She banked the cheque and, following our involvement, accepted an offer of £350 from the firm.

.....

■ 05/08

Mr and Mrs A had been in dispute with their life company for some time before they brought their complaint to us. They claimed the firm was not correctly addressing the mail it sent them. They had brought this to the firm's attention on a number of occasions but still sometimes received letters using the 'incorrect' address, even though the firm said it had amended its records.

The address the firm had been using was correct but it did not include the name of the village where Mr and Mrs A lived. The Post Office did not state this village name in its official address for the couple.

We did not uphold the complaint. The firm was not in breach of any regulation; it was required only to send mail in such a way that the Post Office could deliver it promptly.

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This complaint concerning a term assurance policy illustrates the importance of making a will.

■ 05/09

An engaged couple, Mr G and Miss L, received financial advice six months before they were due to marry. As a result, Mr G took out a term assurance policy to protect a mortgage on a house the couple had bought in joint names. The sum assured became payable in the event of his death. Miss L had sufficient life cover from an existing endowment policy. As Mr G's policy incorporated critical illness protection, it was not possible to arrange for the proceeds payable upon on his death to be passed directly to a designated party. Instead, the proceeds would pass to his estate.

Unfortunately, three months before the couple were married, Mr G drowned. Miss L claimed on the term assurance policy but was told the proceeds would pass to his estate. Since the couple had not been married and Mr G had not made a will, the estate went to his family, who also inherited half of the house.

There was clear evidence that Mr G had taken out the term assurance to protect the mortgage. However, his family refused to use the proceeds of the policy for this purpose, stating that their son would surely not have intended that 'in the event of his untimely death...[they] should suffer at the hands of strangers.'

The representative defended the sale of a policy which only covered Mr G by stating that he had advised the couple to make wills. Miss L disputed this. As the outcome of the case would turn on this issue, we arranged a hearing to try and establish which version of events was correct.

Two weeks before the hearing was due to take place, the firm offered to pay half of the outstanding mortgage and Miss L accepted this, deciding to pursue a claim for the remainder of her fiancé's estate through the courts.

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■ 05/10
This investor claimed that the adviser had guaranteed the maturity value of an endowment assurance policy.

In 1993, Mr H was sold a 15-year endowment assurance policy for an annual premium of £5,000. The representative had shown him tables of past with-profit maturity values and had made a handwritten note in the margin '£5,000 yearly over 15 years', with an arrow pointing to the handwritten figure of £254,000. He had also written down the policy's expected maturity value – a figure that was not in the tables but which he had extrapolated from them by multiplying the figure given for an annual premium of £120.

Some seven years later, Mr H complained to the firm after receiving illustrations of the policy's projected maturity value that

were substantially lower than the figure the representative had quoted. The firm offered to rescind the contract and refund all the premiums he had paid, together with interest.

After Mr H referred the case to us, the firm agreed to offer an additional sum of £150 for the distress and inconvenience caused. However, Mr H rejected the firm's offers. He said he wished to receive the same maturity value that he claimed the representative had guaranteed, based on growth at a rate of 12% per annum.

We did not uphold the complaint. The representative's handwritten note did not constitute a guarantee. It had been written on a leaflet giving examples of past performance figures, which included a warning that future bonuses were not guaranteed and that the policy might not do as well in the future as it had in the past. It was clear that the representative had taken figures from the past performance tables to produce his handwritten note.

The firm's offer was equivalent to the amount we would have awarded if we had found the firm had misrepresented the policy. Since the offer was still available, we recommended the investor to think again about accepting it.

.....

The following three pension review cases, each involving a different firm, concern customers who were wrongly advised to transfer from an occupational pension scheme to a personal pension.

■ 05/11

The firm that advised Mrs D to leave her occupational scheme accepted that its advice had not complied with the regulator's rules. However, it argued that this advice was not the cause of Mrs D's potential loss. She would, it claimed, have gone ahead with the transfer even if its advice had been compliant.

The firm suggested that the financial viability test it conducted as part of the pension review demonstrated that Mrs D was prepared to accept the level of risk associated with the transfer. The critical yield (the amount of growth the policy needed in order to match the guaranteed benefits of Mrs D's occupational scheme) was within the boundaries of the growth rates the firm used for the original comparison between the occupational scheme and the personal pension.

From the evidence we looked at, we concluded Mrs D was not a high-risk investor. We took the view that if the firm had complied with regulations when advising her, it would have needed to have given a realistic indication of the level of growth required to match the benefits of her occupational pension scheme.

We considered that if it had done this, she would not have proceeded with the transfer, so we upheld her complaint.

.....

■ 05/12

After reviewing Mr F's pension mis-selling complaint, the firm concerned accepted that he had lost out as a result of its advice to transfer from his occupational pension scheme. It offered him an immediate additional annuity. However, Mr F turned down this offer of redress because it would affect the state benefits he was receiving.

He referred the complaint to us when the firm said it could not make an alternative offer. We did not uphold the complaint. The firm had correctly followed the pensions review guidance and had made an appropriate offer of redress.

.....

■ 05/13

Mr V refused an offer of redress, claiming that his loss was greater than the firm's loss assessment indicated. The firm then carried out a second loss assessment. This revealed that the mis-selling had not, in fact, caused any loss.

We did not uphold Mr V's complaint as he was not able to demonstrate that he had suffered any loss. We could not order the firm to honour its original offer, as Mr V had hoped we would, since he had rejected it and the second loss assessment had been correctly carried out in accordance with the pensions review.

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■ 05/14

This case concerns a ‘pre A-day’ pension transfer (one that was carried out before the regulations brought in under the Financial Services Act came into effect).

When Mr T first brought his complaint to us it was clear he had been disadvantaged by transferring out of his employers’ pension scheme and buying a personal pension instead. However, we were unable to find in his favour because of lack of evidence. We told him we would review the case if he could provide any further evidence.

He then sent us a copy of a newspaper cutting featuring an advertisement. The advertisement was headed, ‘Ex-employees of ***** (the company where Mr T had worked)’ and stated in large letters, ‘YOUR PENSION IS FROZEN’. The advertisement claimed, among other things, ‘Your pension fund will GROW’ and ‘LARGER pension at retirement’ and it said the personal pension on offer would ‘equal or better’ the pension scheme offered by Mr T’s former employers.

When we presented the pension firm with this new evidence, they first tried to suggest the advertisement had not been aimed at Mr T. They then implied that he had printed the advertisement himself. Finally, since the newspaper cutting was undated, they suggested the advertisement

could have appeared after the date of Mr T’s transfer, and therefore be quite unrelated to it.

Mr T had told us at an earlier stage of the approximate date when he had first seen the advertisement. In the absence of any evidence to the contrary, we thought the balance of probabilities suggested the advertisement was genuine.

The date when the transfer took place meant it did not fall within the scope of the pension review. However, it seemed reasonable and logical to us to require the firm to assess Mr T’s loss and provide redress in accordance with the pensions review guidance. In addition, we awarded him £400 for the distress and inconvenience the firm had caused him, since he had just been recovering from depression when he discovered he had lost out as a result of the transfer, and this had caused additional upset.

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9 introduction of new complaints-handling process for customers of PIA-regulated firms

As part of our preparations for N2, the date when the new complaints-handling rules come into force, we are rationalising the processes of the various ombudsman schemes. At the same time, we are introducing a common computer-based case-handling system. Our basic approach of fairness, impartiality and informality remains unchanged. Our new procedure is designed to be flexible and we will want to maintain an active dialogue with both the firm and the customer in our handling of cases.

For complaints from customers of firms regulated by the Personal Investment Authority (PIA), the investment division started working under the new system and processes on 25 June 2001. The changes will come into effect in July for complaints dealt with under the rules of the Office of the Investment Ombudsman.

Initially there will only be a change in terminology. However, from August 2001, if customers contact us with a complaint without having first been through the firm's complaints procedure, we will pass their details direct to the firms concerned, for investigation. In such cases, the eight weeks that firms have in which to resolve a complaint will start from when we pass on the customers' details to them.

It continues to be our aim to attempt to resolve complaints at as early a stage as possible, compatible with fairness and correctness.

We will attempt to achieve this early resolution both when customers first get in touch with our customer contact division and subsequently, once a complaint becomes a case and is passed on to the investment division – either to the recently-formed **assessment team** or to an investigation team. If we believe the case can be brought to an early conclusion, we will give an **initial view** of its merits, as we do now. If this is not accepted, then the case will be investigated further by the adjudicator or passed to an ombudsman for decision.

The adjudicator will consider any further information and, if the case cannot be resolved through conciliation, will produce a report of his or her **conclusions** that will be sent simultaneously to both parties in the case. Generally, we expect both parties will accept these conclusions, but if not, either party can refer the case to the ombudsman for a **decision**.

Before issuing a final decision, an ombudsman may sometimes decide it necessary to call a hearing to consider material disputes about the facts. Occasionally, an ombudsman may issue a **provisional decision** where he or she has cause to substantially alter the view reached in the conclusions or initial view. Either party can query a provisional decision. If this happens, having considered any further representations, the ombudsman will issue a final decision. As now, there will be no appeal from final decisions.

10 managed portfolios and tax issues

Over the years we have seen a small but significant number of cases relating to the management of tax issues in the context of managed portfolios. These cases usually involve discretionary managed portfolios where, as part of the customer agreement, the manager is given the right to buy and sell assets on the customer's account without consultation.

Where complaints arise, there has generally been a misunderstanding between the investor and the manager about exactly who is responsible for what. Some investors believe, mistakenly, that the manager is responsible for the investor's tax affairs. Managers do sometimes offer this facility, but their responsibility is normally limited to providing the investor's accountant with relevant details about the portfolio.

Other misunderstandings revolve around capital gains tax issues. Portfolio management agreements may refer to the fact that the manager will monitor the portfolio's capital gains tax situation, with a view to making sure the annual allowances are used. What may be less clear, however, is whether it is down to the investor or the manager to obtain information which could affect the investor's overall capital gains position, such as historic information about holdings in existence when a portfolio was originally set up and details of investments held outside the portfolio.

Complaints based on such misunderstandings illustrate the importance both of clear communication between investor and firm and of good record keeping.

... a misunderstanding between the investor and the portfolio manager about exactly who is responsible for what

11 ‘no loss’ pension review cases

Generally, the aim of redress in pension review cases is to put investors in the position they would have been in had they not been wrongly advised to leave an occupational pension scheme.

In the early years of the pension review, the assumptions of the Personal Investment Authority and the Financial Services Authority concerning future inflation, investment growth and annuity rates tended to be less favourable to investors than they are now. It could be, therefore, that on reaching retirement, some investors who have had their pensions reviewed and have received redress in accordance with the regulators’ guidance may find they are not, after all, in the same position they would have been in had they not taken the advice to leave their occupational scheme. They may, instead, experience a shortfall. Of course, there may also be instances of investors who find they are better off.

Where an investor is aware of a shortfall, a complaint is inevitable. In such cases, we would need to scrutinise the firm’s pension review file to check if there had been any departure from the guidance and, if so, to establish any prima facie evidence of loss. We have no power to make an award if a regulated firm has conducted its review in accordance with the published guidance.

12 investment liaison forum

The Financial Ombudsman Service is keen to establish and maintain a close and constructive working relationship with the financial services industry. We already have a well-established Funding Group. This provides a forum in which we can set out our budget and funding plans for scrutiny and discussion by members representing a cross-section of the industry. In addition, taking a 'prevention rather than cure' approach, we want – through dialogue and consultation with industry members – to share and promote best practice in resolving disputes. We hope that, over time, this will result in a reduction in complaints.

Following the successful format of our Banking Liaison Forum and Insurance Liaison Forum, we have now set up an Investment Liaison Forum.

The Investment Liaison Forum held its inaugural meeting on 8 March 2001, followed by a second meeting on 23 May. The next meeting is due to take place in September 2001 and we expect subsequent meetings every two to three months. The members of this forum, around 15 in number, come from a cross-section of the UK investment industry, including officials from AUTIF (Association of Unit Trusts and Investment Funds), APCIMS (Association of Private Client Investment Managers and Stockbrokers), ABI (Association of British Insurers), AIFA (Association of Independent

Financial Advisers) and ASIM (Association of Solicitor Investment Managers), as well as those directly affected by the new complaints-handling and ombudsman arrangements.

The forum is a vehicle for discussion and liaison; it has no formal decision-making role. Individual members of the group take part in a personal capacity and do not formally 'represent' any particular firm, constituency or interest group. However, the aim is that – collectively – the group can draw on the views and experience of as wide a cross-section of the industry as possible.

The agenda for the forum's meetings will consist largely of questions and concerns relating to complaints-handling and ombudsman matters, including technical issues arising from individual complaints which have wider industry implications; or general issues relating to, for example, policy and resources. Shared experience and open discussion about the resolving of complaints will be especially helpful in ensuring consistency of decision-making within the new ombudsman service.

**... we hope that, over time,
this will result in a
reduction in complaints**

The minutes of the Investment Liaison Forum meetings will shortly be available on our website at www.financial-ombudsman.org.uk

Hard copies of the minutes can be obtained on 0207 964 0370,

Firms can suggest any particular issues for inclusion on the agenda by, in the first instance, contacting one of the following trade association participants.

AUTIF, Clare Reilly – email reilly.c@investmentfunds.org.uk

ABI, David Bushell – email david.bushell@abi.org.uk

APCIMS, Katharine Armstrong – email katharinea@apcims.co.uk

AIFA, Fay Goddard – email fay@aifa.net

ASIM, Marcia Braam – email mab@crippslaw.com

For general information about the Investment Liaison Forum, firms can contact Caroline Wells, our liaison manager, on
phone 020 796 40648,
direct fax 020 796 40649 or
email caroline.wells@financial-ombudsman.org.uk

13 telling your customers about the Financial Ombudsman Service

A number of firms have asked us about wording their stationery to show their relationship to the Financial Ombudsman Service.

We do not have the power to prescribe specific wording, but you may find the following suggestion helpful:

Complaints we cannot settle may be referred to the Financial Ombudsman Service

Alternatively, bearing in mind that your published complaints procedure will give full details, you may wish to include just our logo on your stationery. Our view is that the logo has more immediate visual impact than text alone.



If you would like a copy of our briefing note, *telling your customers about the Financial Ombudsman Service*, please phone us on 020 7964 0370

The briefing note is also available in the publications section of our website:
www.financial-ombudsman.org.uk

We are happy to make our logo available to all firms on request and can provide it in various formats. Please contact Nicola Gaughan, our publications officer, for details.
email nicola.gaughan@financial-ombudsman.org.uk

the financial ombudsman service – out and about

Explaining our role and how we operate is an important part of our work. Our aim is to be as open and accessible as possible and we organise roadshows, workshops and other events across the United Kingdom to help get our message across.

We work closely with consumer advice agencies, and in recent months have arranged training days and seminars for a number of Citizens Advice Bureaux and local authority trading standards staff.

Our liaison work with the financial services industry is aimed at complaints prevention. Through a programme of visits, workshops and other events, we encourage firms to share best practice in the handling of complaints and to identify and reduce problems which can lead to expensive and time-consuming disputes.

For further details of our activities, check our website or give us a call. Contact details are on the back page.



‘we provide a number of useful services’

how we can help

technical advice desk

guidance on ombudsman practice and procedures – for professional complaints handlers and consumer advisers.

We can:

- explain how the ombudsman service works
- answer technical queries
- explain how the new ombudsman rules will affect your firm
- provide general guidance on how the ombudsman is likely to view specific issues.

technical.advice@financial-ombudsman.org.uk

phone 020 7964 1400

external liaison

We can:

- visit you to discuss issues relating to the ombudsman service;
- arrange for your staff to visit us.

Contact caroline.wells@financial-ombudsman.org.uk

phone 020 7964 0648



Contact us

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183 Marsh Wall
London E14 9SR

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website www.financial-ombudsman.org.uk
technical advice desk 020 7964 1400

how to get our publications

- see the publications page of our website www.financial-ombudsman.org.uk
- call us on 020 7964 0092 to request additional copies
- ask to go on our mailing list (phone 020 7964 0092)