DRN-4924450

The complaint

Mr S has complained, with the help of a professional representative, about a transfer of his personal pension held with The Prudential Assurance Company Limited ('Prudential') to a small self- administered scheme (SSAS) in March 2016. Mr S' SSAS was subsequently used to invest in an overseas property investment with The Resort Group (TRG.) The investments now appear to have little or no value. Mr S says he has lost out financially as a result.

Mr S says Prudential failed in its responsibilities when dealing with the transfer request. His representatives say that it should have done more to warn him of the potential dangers of transferring, and undertaken greater safeguarding and due diligence on the transfer. They also say Prudential caused Mr S the loss of his pension and had it carried out sufficient due diligence, then Mr S wouldn't have put his pension savings at risk.

What happened

In or around November 2014, Mr S signed a letter of authority allowing a business called Capital Facts Limited (CFL) to obtain details, and transfer documents, in relation to his pension. He says this followed an unsolicited approach but says the cold call he received was from First Review Pension Services (FRPS). (His representatives initially mentioned another firm, but this has since been clarified.) It was recommended to him to transfer his pension to a SSAS and invest in an overseas commercial property investment with TRG. In his complaint submission he said he was told that such a transfer would be much more beneficial to him than his pension with Prudential. Neither FRPS nor CFL were authorised or regulated by the Financial Conduct Authority (FCA).

On 24 December 2014, a company was incorporated with Mr S as director. I'll refer to this company as D Ltd. On 29 January 2015, a SSAS was established and registered with HMRC. D Ltd was recorded as the SSAS's principal employer and Cantwell Grove Limited (CGL) was recorded as the administrator. CGL was also not FCA regulated.

Prudential received documents from CGL, dated 3 February 2015, to allow Mr S' pension to be transferred to the SSAS. CGL enclosed the completed application for the transfer and a copy of the HMRC registration confirmation. Also enclosed with the transfer request paperwork was a letter signed by Mr S. This letter said that he was aware there had been a rise in cases of pension liberation fraud and he knew of the issues relating to this. The letter said Mr S wanted to confirm he was requesting a transfer to take advantage of investment opportunities, none of which were connected with pension liberation. And it said he was not looking to access his pension before age 55 – the trust deed of the SSAS would not permit this – and he had not been offered a cash or other incentive to transfer.

On 13 February 2015, Prudential wrote to Mr S to inform him that it wouldn't be able to carry out the transfer because from the information it had received, it had and concerns under its regulatory obligations that funds *"may be accessed prior to the permitted age (usually age 55) or the proposed scheme is otherwise unlikely to be operated in the best interests of the scheme members (e.g. because misleading or inadequate information is provided, members' funds are put at undue risk or fees/commission are excessive). Pension liberation is a serious matter for pension plan holders and may be associated with high risk pension* *schemes or in some cases fraud."* Prudential also strongly recommended to him to seek independent, regulated advice and described where he could find further information on this and wider risks of pension transfers. It also attached a leaflet from The Pensions Regulator (TPR).

Again on 17 July 2015, Mr S signed a letter which asked Prudential to complete a transfer to the SSAS of which he was member and trustee. It said he'd been informed that despite a previous request, further information was needed. He asked for any discharge papers to be sent to CGL.

On 21 September 2015 and again on 2 October 2015, Prudential requested further information from CGL. It required details of the proposed investment service providers and literature issued to the member/trustee; a copy of the HMRC scheme details page; a copy of the administration agreement; and details of the fees payable by the member.

CGL replied on 12 October 2015. It provided the requested information. It said Mr S was the sole director of D Ltd and said the investments under consideration were a commercial property investment with TRG and a general investment account provided by a mainstream investment provider managed by Astute Financial Management UK Limited.

On 21 September 2015 and on 2 October 2015, Prudential also wrote to HMRC to request confirmation that D Ltd SSAS was still registered.

The same days, Prudential also wrote to Mr S. It said that in relation to his proposed transfer, it wanted him to answer a series of questions, in writing. It said that he was aware of the reasons why it was seeking the information from the TPR leaflet he'd already been sent. Prudential asked Mr S the following:

- Given CGL wasn't regulated by the FCA, who had originally contacted him and who had introduced him to CGL?
- Who suggested he register D Ltd and establish the scheme, did he receive advice to do so and if so, from whom?
- What was the nature of D Ltd, if it was trading or whether it was dormant, whether he was being remunerated by the company and, if dormant, whether it was ever intended to trade?
- If he'd received any separate advice from a FCA authorised firm and if so, by whom?
- If he could provide copies of any literature he was given about how to establish a SSAS.
- Was his Prudential pension the only one being transferred to the scheme?
- Details of his employment and whether he was employed or self-employed.

On 3 November 2015, Mr S replied to Prudential with the following answers to its questions:

- He'd received a call from FRPS offering a pension review. After consultation, he decided to establish a SSAS and was introduced to CGL by FRPS.
- He wished to take advantage of the flexibilities of a SSAS not present with other types of pensions, so he used his own company to establish and sponsor the SSAS. He had not received any financial advice to establish the SSAS.
- D Ltd was a dormant company and as the sole director he had chosen not to remunerate himself.
- He repeated that he had not received any financial advice and so no advice fees applied. The SSAS administration fees would be settled directly from the pension fund.

- He had to date not received any other advice from a FCA regulated firm regarding the pension transfer, but he had received investment advice from Astute Financial Management UK Ltd, an FCA regulated firm, about an investment in a mainstream provider platform of part of his funds.
- He provided a copy of a SSAS guide provided by FRPS prior to his decision to establish a SSAS.
- His Prudential pension was the only policy being transferred.
- He did not wish to divulge details of his other employment as it wasn't relevant to the transfer.

On 24 December 2015, Prudential wrote to Mr S. It said that it was necessary for it to take certain steps to fulfil its regulatory obligations, which included having regard to guidance from both TPR and the FCA in relation to potential pension scams and pension liberation. In a heading titled '*Potential pension scam'* the letter said that it hadn't completed Mr S' transfer request in light of its obligations. It referred to recently published decisions from The Pensions Ombudsman which it said provided helpful guidance about the steps firms are required to take where they have grounds for suspicion that a pension scam or pension liberation was taking place. It said that in line with those decisions, it was prepared to make the transfer Mr S requested in accordance with his right to do so.

The letter then set out concerns Prudential had with Mr S' transfer – headed '*Reasons for our concern.*' It said that it continued to have concerns about some of the circumstances of his transfer, which included that he was under 55 years old, he'd established his own company to set up a SSAS and that he was investing in an unregulated overseas investment. It referred Mr S to a 'Pension Scam Alert' published on 26 October 2015 by the National Fraud Intelligence Bureau and available at Action Fraud's website, which it said referred to cold calls to customers to transfer their pension, and specifically alternative investments such as a hotel development in Cape Verde.

The letter said that, if Mr S still wanted to proceed, it would comply with his instruction after a 90-day 'colling off' period. It said that during this time, he should consider the risks of transferring and whether it was right for him. It said it strongly recommended he seek independent FCA regulated advice. It then set out the consequences of Mr S dealing with someone who wasn't regulated, including losing regulatory protections, tax charges and losing his pension. It referred to where Mr S could find a regulated adviser in his area by visiting its website. The letter referred to enclosing TPR's pension scams booklet.

On 28 January 2016, Mr S returned his signed declaration confirming he wanted to go ahead. The declaration asked him to confirm that he acknowledged Prudential's concerns that the transfer could involve a pension scam and he'd read TPR's booklet on pension scams. He also ticked 'No' to the question *"I have sought advice in relation to my transfer."*

On 30 March 2016, Prudential transferred Mr S' pension funds, just under £49,500, to his SSAS. I understand an investment in TRG was then made. This investment has become illiquid as it can't be sold on the open market.

In March 2023, Mr S complained to Prudential. Briefly, his representatives said it shouldn't have allowed an unregulated firm to advise him, it should've flagged up the practice of advising on unregulated and high-risk investments to Mr S and the regulator, it failed to carry out sufficient due diligence, and the lack of this caused Mr S the loss of his pension.

Prudential didn't uphold the complaint. In summary it said it had conducted an appropriate level of due diligence given the requirements of the time, it had highlighted its concerns and Mr S had a legal right to transfer.

Mr S then referred his complaint to the Financial Ombudsman Service. Our Investigator didn't uphold the complaint and was unable to resolve the dispute informally. So, the matter was passed to me to make a final decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this case.

I've taken into account relevant law and regulations, regulatory rules, guidance and standards, codes of practice, and (where appropriate) what I consider to have been good industry practice at the relevant time. Where the evidence is incomplete or inconclusive (as some of it is here) I've reached my decision based on the balance of probabilities – in other words, on what I think is more likely than not to have happened, given the available evidence and wider circumstances.

<u>The relevant rules and guidance</u>

Personal pension providers are regulated by the FCA. Prior to that they were regulated by the FCA's predecessor, the Financial Services Authority (FSA). As such, Prudential was subject to the FSA/FCA Handbook, and under that to the Principles for Businesses (PRIN) and to the Conduct of Business Sourcebook (COBS). There have never been any specific FSA/FCA rules governing how personal pension providers deal with pension transfer requests, but the following have particular relevance here:

- Principle 2 – A firm must conduct its business with due skill, care and diligence;
- Principle 6 – A firm must pay due regard to the interests of its customers and treat them fairly;
- Principle 7 – A firm must pay due regard to the information needs of its clients, and communicate information to them in a way which is clear, fair and not misleading; and
- COBS 2.1.1R (the client's best interests rule), which states that a firm must act honestly, fairly and professionally in accordance with the best interests of its client.

In February 2013, TPR issued its 'Scorpion' guidance to help tackle the increasing problem of pension liberation, the process by which unauthorised payments are made from a pension (such as accessing a pension below minimum retirement age). In brief, the guidance provided a due diligence framework for ceding schemes dealing with pension transfer requests and some consumer-facing warning materials designed to allow members to decide for themselves the risks they were running when considering a transfer.

The Scorpion guidance was described as a cross-government initiative by Action Fraud, The City of London Police, HMRC, the Pensions Advisory Service (TPAS), TPR, the Serious Fraud Office, and the FSA/FCA, all of which endorsed the guidance, allowing their names and logos to appear in Scorpion materials.

The FSA's endorsement of the Scorpion guidance was relatively informal: it didn't take the form of Handbook Guidance, because it was not issued under s.139A of the Financial Services and Markets Act (FSMA), which enabled the FSA to issue guidance provided it underwent a consultation process first. Nor did it constitute ‘confirmed industry guidance’, as can be seen by consulting the list of all such FSA/FCA guidance on its website. So the content of the Scorpion guidance was essentially informational and advisory in nature. Deviating from it doesn’t therefore mean a firm has necessarily broken the Principles or COBS rules. Firms were able to take a proportionate approach to transfer requests, balancing consumer protection with the need to also execute a transfer promptly and in line with a member’s right to transfer.

That said, the launch of the Scorpion guidance in 2013 was an important moment in so far that it provided, for the first time, guidance for personal pension providers dealing with transfer requests – guidance that prompted providers to take a more active role in assessing those requests. The guidance was launched in response to widespread abuses that were causing pension scheme members to suffer significant losses. And the guidance’s specific purpose was to inform and help ceding firms when they dealt with transfer requests in order to prevent these abuses and save their customers from falling victim to them.

In those circumstances, I consider firms which received pension transfer requests needed to pay regard to the contents of the Scorpion guidance as a matter of good industry practice. It means February 2013 marks an inflection point in terms of what was expected of personal pension providers dealing with transfer requests as a matter of fulfilling their duties under the regulator’s Principles and COBS 2.1.1R.

The Scorpion guidance was updated in July 2014. It widened the focus from pension liberation specifically, to pension scams more generally – which included situations where someone transferred in order to benefit from ‘too good to be true’ investment opportunities such as overseas property developments. An example of this was given in one of the action pack’s case studies.

In a similar vein, in April 2014 the FCA had also started to voice concerns about the different types of pension arrangements that were being used to facilitate pensions scams. In an announcement to consumers entitled “*Protect Your Pension Pot*” the increase in the use of SIPPs and SSASs in pensions scams was highlighted, as was an increase in the use of unregulated and/or illiquid investments. The FCA further published its own factsheet for consumers in late August 2014. It highlighted the announcement to insurers and advisers in a regulatory round-up published on its website in September 2014.

There was a further update to the Scorpion guidance in March 2015, which is also relevant for this complaint. This guidance referenced the potential dangers posed by ‘pension freedoms’ (which was about to give people greater flexibility in relation to taking pension benefits) and explained that pension scams were evolving. In particular, it highlighted that single member occupational schemes were being used by scammers. At the same time, a broader piece of guidance was initiated by an industry working group covering both TPR and FCA regulated firms: the Pension Scams Industry Group (PSIG) Code of Good Practice. The intention of the PSIG Code was to help firms achieve the aims of the Scorpion campaign in a streamlined way which balanced the need to process transfers promptly with the need to identify those customers at material risk of scams.

<u>The March 2015 Scorpion guidance</u>

When the Scorpion guidance was launched in 2013, it included two standard documents that scheme administrators could use to warn their members about some of the potential dangers of transferring: a short ‘insert’ intended to be sent to members when requesting a transfer, and a longer booklet intended to be used for members looking for more information on the subject.

The March 2015 Scorpion guidance asked schemes to ensure they provided their members with "*regular, clear*" information on how to spot a scam. It recommended giving members that information in annual pension statements and whenever they requested a transfer pack. It said to include the pensions scam leaflet in member communications. In the absence of more explicit direction, I take the view that the member-facing Scorpion warning materials were to be used in much the same way as previously, i.e. for the shorter insert (which had been refreshed in March 2015) to be sent when someone requested a transfer, and the longer version (which had also been refreshed) made available when members sought further information on the matter.

When a transfer request was made, transferring schemes were also asked to use a three-part checklist to find out more about a receiving scheme and why their member was looking to transfer.

<u>The PSIG Code of Good Practice</u>

The PSIG Code was voluntary. But, in its own words, it set a standard for dealing with transfer requests from UK registered pension schemes. It was "welcomed" by the FCA and the Association of British Insurers (amongst others). And several FCA regulated pension providers were part of the PSIG and co-authored the Code. So many of the observations I've made about the status of the Scorpion guidance would, by extension, apply to the PSIG Code. In other words, personal pension providers didn't necessarily have to follow it in its entirety in every transfer request, and failure to do so wouldn't necessarily be a breach of the regulator's Principles or COBS. Nevertheless, the Code sets a benchmark of good industry practice in addition to the Scorpion guidance.

In brief, the PSIG Code asked schemes to send the Scorpion materials in transfer packs and statements, and make them available on websites where applicable. The PSIG Code goes on to say those materials should be sent to scheme members directly, rather than just to their advisers.

Like the Scorpion guidance, the PSIG Code also outlined a due diligence process for ceding schemes to follow. However, whilst there is considerable overlap between the Scorpion guidance and the PSIG Code, there are several differences worth highlighting here, such as:

- The PSIG Code includes an observation that: "*A strong first signal of* [a scam] *would be a letter of authority requesting a company not authorised by FCA to obtain the required pension information; e.g. a transfer value, etc*." This is a departure from the Scorpion guidance (including the 2015 guidance) which was silent on whether anything could be read into the entity seeking information on a person's pension.

- The Code makes explicit reference to the need for scheme administrators to keep up to date with the latest pension scams and to use that knowledge to inform due diligence processes. Attention is drawn to FCA alerts in this area.

- Under the PSIG Code, an 'initial analysis' stage allows transferring schemes to fast-track a transfer request without the need for further detailed due diligence, providing certain conditions are met. No such triage process exists in the 2015 Scorpion guidance – following the three-part due diligence checklist was expected whenever a transfer was requested.

- The PSIG Code splits its later due diligence process by receiving scheme type: larger occupational pension schemes, SIPPs, SSASs and QROPS. The 2015 Scorpion guidance doesn't distinguish between receiving schemes in this way – there's just the one due diligence checklist which is largely (apart from a few questions) the same whatever the destination scheme.

TPR began referring to the Code as soon as it was published, in the March 2015 version of the Scorpion action pack. Likewise, the PSIG Code referenced the Scorpion guidance and indicated staff dealing with scheme members needed to be aware of the Scorpion materials.

Therefore, in order to act in the consumer's best interest and to play an active part in trying to protect customers from scams, I think it's fair and reasonable to expect ceding schemes to have paid due regard to both the Scorpion guidance and the PSIG Code when processing transfer requests. Where one differed from the other, they needed to consider carefully how to assess a transfer request taking into account the interests of the transferring member. Typically, I'd consider the Code to have been a reasonable starting point for most ceding schemes because it provided more detailed guidance on how to go about further due diligence, including steps to potentially fast-track some transfers which, where appropriate, would be in a member's interest.

The considerations of regulated firms didn't start and end with the Scorpion guidance and the PSIG Code. If a personal pension provider had good reason to think the transferring member was being scammed – even if the suspected scam didn't involve anything specifically referred to in either the Scorpion guidance or the Code – then its general duties to its customer as an authorised financial services provider would come into play and it would have needed to act. Ignoring clear signs of a scam, if they came to a firm's attention, or should have done so, would almost certainly breach the regulator's principles and COBS 2.1.1R.

<u>The circumstances surrounding the transfer: what does the evidence suggest happened?</u>

Mr S says that he received an unsolicited phone call offering him a free pension review. Mr S signed an authority with CFL, who were not regulated by the FCA, to allow them to approach Prudential for information about his pension. But in response to Prudential's questions at the time of the transfer asking about how things came about, he said it was a company called FRPS who called him and with whom he consulted. FRPS was also unregulated.

On balance, given Mr S signed a letter of authority with CFL, I think it's likely it was this business who initially cold called him. Mr S then appears to have been passed on to FRPS. Mr S' representatives have said he was a retail client. And I've seen nothing which leads me to think that he was an otherwise experienced investor. It also doesn't appear that Mr S had the requisite knowledge skill or experience to carry out what is a complicated arrangement without advice and input from someone else. So on the one hand, the evidence points to Mr S being advised to transfer his pension and invest elsewhere, and likely from FRPS who were unregulated.

However, when Prudential asked Mr S to explain who he had spoken to and whether he had received advice, he said that he had not received any advice to establish the SSAS or in relation to the transfer. He said that after consultation, he had decided to establish a SSAS. And while he did refer to the involvement of a regulated firm, he said this was in relation to a proposed investment once the funds were transferred. I'll discuss this further below.

<u>What did Prudential do and was it enough?</u>

The Scorpion insert

For the reasons given above, my view is that personal pension providers should, as a matter of course, have sent transferring members the Scorpion insert or given them substantially the same information.

Prudential's letter to Mr S of 13 February 2015, in which it initially refused to transfer his pension, listed a leaflet from TPR as an attachment. It's unclear which exact leaflet this was, but it's likely it would have been the July 2014 version before it was updated in March 2015.

In its second warning letter regarding his second transfer request, from 24 December 2015, Prudential again enclosed a 'Scorpion' leaflet and this time referred to "*the enclosed booklet from The Pensions Regulator on pension scams*", so it's clear this was the longer, more informative, and most likely the updated version from March 2015. So I'm satisfied Prudential met its duties to provide Mr S with the required Scorpion material.

Due diligence

As explained above, I consider the PSIG Code to have been a reasonable starting point for most ceding schemes. I've therefore considered Mr S' transfer in that light. But for the avoidance of doubt, I don't think it would make a difference to the outcome of the complaint if I had considered Prudential's actions using the 2015 Scorpion guidance as a benchmark instead.

I've looked at what due diligence Prudential carried out in this case to consider whether it was sufficient.

Upon receipt of both transfer requests, as I referred to earlier on, Prudential wrote to HMRC to check the scheme's registration. It also wrote to CGL to ask for more information including a copy of the trust deed, the scheme rules and who the investment providers were. Prudential would've understood from this that Mr S was intending to invest in an overseas property investment as well as an investment managed by Astute Financial Management.

After the second transfer request, Prudential wrote to Mr S directly asking him a series of questions to understand the background to the transfer – how it came about, who initially contacted him and, crucially, whether he had received any advice to establish the SSAS or received any other regulated advice. It also asked him for copies of any marketing material he had been given in relation to establishing the SSAS. I also think Prudential made the purpose of its request clear.

In my view, the questions Prudential asked were unambiguous and were relevant to understand how things had come about. I think they broadly followed the suggested questions in the guidance at the time to determine whether a scam risk was present before proceeding with the transfer. I can see Mr S' representatives have said that Prudential should have personally contacted Mr S and that a phone call or a face-to-face meeting would have likely stopped him from proceeding with the transfer. But Prudential did make personal contact with Mr S, in writing. There's nothing in the guidance that required Prudential to contact Mr S by phone to conduct its due diligence, and I think it is unreasonable to expect Prudential to have held a meeting with him.

Mr S' answers to Prudential's questions were, in my view, equally as clear. As I set out earlier, Mr S explained how things had come about – he'd received a call from FRPS and that he wanted to take advantage of the flexibilities a SSAS offered, which is why he established his own company to sponsor the SSAS. Importantly, Mr S said on more than one occasion that he had not received any advice on the establishment of the SSAS or the transfer itself. He did not say that FRPS or any other unregulated party had advised him.

I accept it's possible Mr S was told or coached how to answer Prudential's questions, perhaps by the unregulated parties. Mr S appears to have concealed from Prudential that he received unregulated advice. But I think Prudential was entitled to believe what Mr S had said. It had written to him directly and he had replied, signing his response.

In any event, it's clear that Prudential had concerns about the transfer, which is what prompted it to not proceed with the first transfer and write again to Mr S setting out those concerns and providing him with what I consider were specific and appropriate warnings in the circumstances in his second transfer attempt. I disagree with Mr S' representative that the warnings were generic and the fact that the first transfer request was halted should have been a stark warning in itself.

Prudential's letter explained that while it was willing to make the transfer in line with Mr S' legal right to do so, some of the circumstances of the transfer gave it cause for concern. It highlighted its particular concerns that Mr S had set up his own company to establish a SSAS and he was investing into an unregulated overseas investment. The letter referred Mr S to a publication on the Action Fraud website he should read, which referred to cold calls and made specific reference to the Cape Verde investment like the one Mr S was planning with TRG.

Prudential then explained that it would give Mr S a 90-day cooling off period in which it asked him to consider the risks of the transfer and to be satisfied that it was appropriate for him. Prudential recommended that he seek independent regulated advice and it told him how he could find a local adviser via its website if he didn't know of one.

Importantly, Prudential also told Mr S about the consequences of dealing with unregulated advisers, including telling him that he would lose any regulatory protection and that he could lose his pension funds if things went wrong. This in my view was a clear and stark warning.

I'm mindful that, in giving Mr S a period of 90 days to consider things and asking him to sign something to confirm that he still wanted to go ahead having been provided with information about the risks associated with the transfer he was considering, it allowed him time to read, reflect and absorb the information, including the Scorpion leaflet, and decide what to do next. It also allowed him ample time to seek the regulated independent advice Prudential recommended he take.

Given the specific nature of the warning and that it was particular to the transfer Mr S was proposing, all of the things Prudential referred to should've resonated with him. Yet Mr S still went ahead signing Prudential's declaration to confirm that he acknowledged its concerns that the transfer could involve a pension scam, he'd had read the Scorpion leaflet and hadn't taken any advice. I don't think Prudential could reasonably have done anything more here. I think the warnings it provided along with enclosing the longer version of the Scorpion leaflet, which gave clear and easy to understand warnings, meant that it acted fairly and reasonably in dealing with Mr S' transfer request.

Mr S' representatives said Prudential should've stopped the transfer because of the involvement of the regulated party and because it was aware Mr S hadn't received advice. Prudential was aware of the involvement of the unregulated party. But Prudential couldn't force Mr S to take advice. All Prudential could do was to recommend he do so and why, which in my view is what it did. And despite Mr S saying that he hadn't taken advice from the unregulated party, Prudential also warned him about the consequences of dealing with unregulated advisers.

Prudential had also not carried out the first transfer request and stated that to go ahead it suggested strongly to him to seek independent regulated advice to consider the consequences of such a transfer, and to "*consider in any event whether you wish to proceed*". Ultimately Mr S chose to procced despite this, not to get that advice and he exercised his right to transfer, which he was entitled to do. As I've already said, I think Prudential did all that it could reasonably have done in the circumstances to warn Mr S of the risks involved with his proposed transfer.

<u>Summary</u>

I appreciate that Mr S has lost out financially by investing in high-risk investments, which were unlikely suitable for him. But I think Prudential followed the principles of the guidance that was in place at the time and carried out appropriate and adequate due diligence on the transfer request. And having done so, I think Prudential then went on to provide Mr S with appropriate information and gave sufficient and relevant warnings about the risks and consequences involved with the transfer he was contemplating.

In the circumstances, I don't think Prudential could fairly and reasonably have done anything more. So, I don't think it is fair and reasonable for Prudential to put right Mr S' losses. It follows that I don't uphold this complaint.

My final decision

For the reasons above, I've decided to not uphold this complaint, so I make no award in Mr S' favour.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 26 March 2025.

Lea Hurlin
Ombudsman