

The complaint

Mr H has complained, through his representatives, that The Prudential Assurance Company Limited ('Prudential') undertook insufficient due diligence when transferring his personal pensions to a Qualifying Recognised Overseas Pension Scheme ('QROPS') in 2016.

Mr H's QROPS - the Optimus Retirement Scheme No 1 ('Optimus') - was based in Malta. Funds from his two Prudential pension plans as well as a separate transfer from an occupational pension scheme were subsequently used to invest into various investments including overseas property with The Resort Group ('TRG') and TRG corporate bonds which now seem to have little value.

What happened

Mr H says he was cold called by either Choices Wealth and/or First Review Pension Services ('FRPS'). FRPS then visited him at his house and told him he would make better returns if he consolidated his pensions. He says FRPS recommended him to transfer his Prudential pension to a QROPS and invest in various things including overseas property investment. He was told his funds would be actively managed and could be worth significantly more than if he left them in his existing pensions. Choices Wealth and FRPS were unregulated firms.

Mr H signed a letter of authority for FRPS to request information about his pension from Prudential in February 2015. Prudential received a request for transfer paperwork from FRPS in March 2015 and provided this to FRPS and Mr H in separate letters in April 2015.

Mr H was referred to Gerard Associates, a UK regulated adviser, for pensions advice. A fact find was completed in November 2015 and Gerard Associates issued a confirmation to the occupational scheme that they had provided Mr H with advice to transfer his pension. Mr H signed a declaration in February 2016 to confirm he had received Gerard Associates' report and enclosures dated 26 November 2015 and that he understood they had not advised him on the suitability of the receiving scheme or underlying investments and that this advice had been given by Strategic Wealth Limited. Strategic Wealth is noted on the QROPS statements as the financial adviser.

In January 2016 Prudential received a transfer request from the Optimus Scheme administrators with further information provided in February 2016. They included transfer forms signed by Mr H in December 2015 as well as scheme registration documents from the Maltese Financial Services Authority, confirmation from HMRC it had been notified of the scheme's recognised status, the trust deeds and scheme booklet. Mr H had also signed a letter on 14 December 2015 addressed to Prudential authorising them to share any information with the Optimus administrators and trustees and confirming that he wished to transfer to their scheme. After requesting a few administrative clarifications, the transfer was eventually confirmed on 24 March 2016.

Mr H complained to Prudential in 2020 that they should have contacted him as part of their due diligence and warned him about the specific warning signs present in his transfer. If this had happened he wouldn't have proceeded with the transfer or sought independent advice.

Prudential rejected the complaint. They said reviewing the suitability of the scheme or the underlying investments or giving advice in any way was outside of their remit as a pension provider. They had no concerns about the QROPS and Mr H had a right to transfer.

Mr H referred his complaint to this service. One of our investigators rejected the complaint. He thought based on the documents Prudential had received there wasn't anything to suggest that the receiving pension scheme or the administrators posed a scam risk and so no additional due diligence was required. He thought Mr H had likely received a Scorpion leaflet issued by The Pensions Regulator warning about scam risks before his transfer (possibly from another source than Prudential) as Mr H recalled seeing it when we asked him about it. However, even if he didn't, the investigator thought receiving the leaflet wouldn't have likely changed Mr H's mind on the transfer.

Mr H's representatives disagreed and so the complaint was referred to me for an ombudsman's decision. Mr H also submitted a claim to FSCS for Gerard Associates' actions. He received compensation for this claim, however this doesn't fully cover all of his losses. A reassignment of rights which allows him to bring this complaint to this service was provided. I also considered the submissions Mr H made to FSCS.

Provisional findings

I previously issued a provisional decision not upholding the complaint. I said the following:

The relevant rules and guidance

Personal pension providers are regulated by the Financial Conduct Authority (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 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.

The Pensions Schemes Act 1993 gives a member of a personal pension scheme the right to transfer the cash equivalent value of their accrued benefits to another personal or occupational pension scheme if certain conditions are satisfied (and they may also have a right to transfer under the terms of the contract). This right came to be exploited, with people encouraged to transfer to fraudulent schemes in the expectation of receiving payments from their pension that they weren't entitled to – for instance, because they were below minimum retirement age. At various points, regulators issued bulletins warning of the dangers of taking such action. But it was only from 14 February 2013 that transferring schemes had guidance to follow that was aimed at tackling pension liberation – the “Scorpion” guidance.

The Scorpion guidance was launched by The Pensions Regulator (TPR). It was described as a cross-government initiative by Action Fraud, The City of London Police, HMRC, the

Pensions Advisory Service (TPAS), TPR, the SFO, 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 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.

There was a further update to the Scorpion guidance in March 2015, which is 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.

The March 2015 Scorpion guidance

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, which is 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 subject.

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.

The PSIG Code of Good Practice

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 much 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 an additional 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 scheme 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.

The circumstances surrounding the transfer: what does the evidence suggest happened?

Mr H said he was cold called either by Choices Wealth or FRPS. FRPS were the firm requesting the transfer information so they clearly had been in contact with Mr H and what we know about their practices and connections to TRG, it's likely that they contacted him unsolicited.

In his claim to FSCS Mr H said he was referred to Gerard Associates for a pension review which is supported by the fact find and reference to a report he received. In the fact find, which Mr H signed, it was noted that he wanted to access his occupational scheme in order to take a tax-free cash lump sum and leave the remainder in an income drawdown arrangement. He also said his Prudential Pensions did not allow income drawdown and so he wanted to transfer these to a more flexible arrangement too. He confirmed he had received a report from Gerard Associates with enclosures. I haven't seen a copy of his particular report. Mr H said the adviser recommended to transfer his pension and no other alternative investment strategies were discussed. He said he thought the TRG investment was at most medium risk and he believed his adviser to act in his best interest. He agreed to the proposals and his occupational scheme and Prudential pensions were transferred.

I haven't seen the Gerard Associates report for Mr H and so I don't know if it only mentioned the transfer from the occupational scheme or whether it also formally advised on the Prudential pensions. FSCS couldn't find any evidence that Gerard Associates advised on the Prudential plans and given that Gerard Associates was likely involved to provide the necessary UK regulated advice to release safeguarded benefits from the occupational scheme, *it's possible* the report didn't specifically advise on the Prudential plans. However, in any event, from Mr H's testimony and the fact that Gerard Associates worked in tandem with Strategic Wealth, I think they knew about Mr H's Prudential pensions and where the funds would be invested. So I think Mr H would have reasonably taken the view that the adviser at the very least didn't have any concerns with his intended plans to move to a QROPS and invest in TRG (even if they didn't formally advise on this in writing).

Mr H also received advice from Strategic Wealth on the QROPS and underlying

investments. They are noted on the QROPS statements as the adviser and Mr H also signed a confirmation for Gerard Associates, which I mentioned earlier, that the advice had been provided by Strategic Wealth. So Mr H would have been aware of their advice.

I'm aware that Strategic Wealth issued standardised reports to consumers about the advantages and disadvantages of a QROPS and the intended investments which they provided to customers as well as the Optimus Scheme. Mr H's representatives will be aware of the contents of these reports as they have submitted them for other customers and we have provided a sample letter to them on other cases. I haven't seen a specific copy for Mr H, but I have no reason to believe he didn't receive such a report or that the contents of it would be different to other copies I have seen.

The Strategic Wealth reports did explain that The Pension Advisory Service had issued a warning leaflet to warn UK pension members about the risks of moving to an overseas scheme and that they had included a copy of it with the information pack. They say it warned about pension liberation schemes, high pressured selling tactics and bogus investments. I'm satisfied this is a reference to the Scorpion leaflet. I think on balance Mr H likely received this leaflet from Strategic Wealth. Mr H signed all the necessary papers in November/December 2015, so I think it's likely any leaflet would have been in the version of March 2015.

In summary, I think based on the evidence provided Mr H was cold called and then referred to Gerard Associates and Strategic Wealth for advice. It's likely all parties involved were speaking in favourable terms about the transfer.

What did Prudential do and was it enough?

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 say it was their common practice to provide Scorpion leaflets with every transfer pack, however copies weren't retained on every file. Unfortunately, there is no reference to the Scorpion materials in the letters they sent Mr H. So I'm not satisfied that Prudential sent the leaflet to Mr H.

Looking at the timeline of the transfer I think the leaflet should have been sent to Mr H in April 2015 when they sent out the transfer pack. The relevant version of the Scorpion insert he should have received would have been the version issued in March 2015.

Due diligence:

In light of the Scorpion guidance, I think firms ought to have been on the look-out for the tell-tale signs of a pension scam and needed to undertake further due diligence and take appropriate action if it was apparent their customer might be at risk.

As explained above, I consider the PSIG Code to have been a reasonable starting point for most ceding schemes. I've therefore considered Mr H's transfer in that light. But 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 see no reason why Prudential reasonably could have considered the receiving scheme/administrator as generally being free of scam risk, especially as they had received a request for transfer information from an unregulated party. So the initial triage process

should have instead led them to asking Mr H further questions about the transfer as per Section 6.2.2 (“Initial analysis – member questions”) which included questions about being cold called or being offered overseas investment opportunities. I’m satisfied Mr H would have confirmed both of these being features of his transfer.

Under the Code, further investigation should follow a “yes” to any question. The nature of that investigation depends on the type of scheme being transferred to. The QROPS section of the Code (Section 6.4.4) has the following statement:

“The key items to consider are the rationale for moving funds offshore, and the likelihood that the receiving scheme is a bona fide pension scheme, as if HMRC determine retrospectively that it is not, there may be a scheme sanction charge liability regardless of whether the receiving scheme was included on the list or not.”

In order to address those two items – the rationale for moving funds offshore and the legitimacy of the QROPS – the Code suggests the transferring scheme should broadly follow the same due diligence process as for a SSAS, which outlined four areas of concern under the following headings: employment link, geographical link, marketing methods and provenance of the receiving scheme. Underneath each area of concern, the Code set out a series of example questions to help scheme administrators assess the potential risk facing a transferring member.

Not every question would need to be addressed under the Code. Indeed, the Code makes the point that it is for scheme administrators to choose the most relevant questions to ask (including asking questions *not* on the list if appropriate). But the Code makes the point that a transferring scheme would typically need to conduct investigations into a “wide range” of issues to establish whether a scam was a realistic threat. With that in mind, I think in this case Prudential should have addressed all four areas of concern and contacted Mr H in order to help with this.

I think Prudential had sufficient information about the scheme not to be concerned about its legitimacy, however Mr H’s motivation for transferring to a QROPS should have been queried with him as well as how the transfer had come about and if he had received advice. I think had they done so they would have learned that Mr H had been considering moving to Thailand, his wife’s country of origin, in retirement. I think he also would have mentioned that he was told he could have better investment returns and that he could access his pensions flexibly and that having an overseas pension when living abroad was beneficial. Prudential would likely also have found out that he was intending to invest, in part, in TRG– an overseas property scheme of the type that was highlighted as an area of concern in the PSIG Code.

Based on what I found earlier, I think Prudential would have likely found out that he had been cold called and first contacted by Choices Wealth and/or FRPS and that he had then been referred to Gerard Associates and Strategic Wealth for advice.

The Scorpion checklist recommends that, in order to establish whether a member has been advised by a non-regulated adviser, the transferring scheme should consult the FCA’s online register of authorised firms. Prudential should have taken that step, which is not difficult.

Had it done so it would have discovered that Gerard Associates was a FCA regulated adviser. Strategic Wealth appeared on the FCA register as a firm that was passported from Gibraltar to the United Kingdom. This means that for UK purposes throughout the period of this transfer Strategic Wealth was an authorised person under s.31(1)(b) of the Financial Services and Markets Act (FSMA) 2000 and Schedule 3 to that Act. The right to passport financial services from one EU country to another is a feature of the EU’s internal market,

which applied to the UK at the time. The right was underpinned by the introduction of EU wide standards of investor protection and harmonised conduct of business rules.

I also think it's likely Prudential would have learned from Mr H that he hadn't been offered to access his pension early nor had been offered any cash incentives.

What should Prudential have told Mr H– and would it have made a difference?

A ceding pension scheme is not expected to act as a general pension adviser to a member who tells it they want to leave their scheme. The Scorpion guidance is aimed at spotting and averting potential pension transfer scams against the member, rather than delivering general advice about the merits of different regulatory systems or high-risk investments. So, for it to be reasonable to expect a ceding scheme to have concerns and raise these with its member, there must, viewed overall, appear to be a real risk their member is falling victim to a scam. For Mr H's transfer, viewed overall in that way and if Prudential had taken the steps it should, I don't consider that would have been the case.

I think the involvement of two regulated firms together with the fact Mr H was planning to live abroad, was transferring to a legitimate scheme and wasn't planning to access his pension in an unauthorised manner could have provided sufficient comfort for Prudential's purposes that despite the presence of some warning signs (cold call, overseas investment) overall the scam risk here was minimal. The fact that an unregulated firm had referred Mr H to regulated firms for advice and that an international firm was involved given the transfer went to a QROPS wouldn't have seemed unusual in my view.

Overall, I don't think if Prudential had made further enquiries that this would have resulted in warnings to Mr H that he was at risk of a scam.

Would further enquiries from Prudential and sending Mr H the Scorpion insert have changed his mind about the transfer?

As noted earlier in this decision, I think Mr H should have received the Scorpion leaflet in the version of 2015 from Prudential. Our investigator shared a copy of the Scorpion leaflet with Mr H and he recognised it. He said he couldn't remember for certain how he received it, possibly from his occupational scheme. For reasons explained earlier, I think it's likely he did receive it from Strategic Wealth. Like Mr H said, it's also possible he received it from the occupational scheme he transferred from. As this didn't change his mind, I don't think receiving another copy wouldn't have made a difference. I also considered whether further questions by Prudential about the transfer might have raised doubts about the transaction. However, just like Prudential, I think he would have been assured that he had been dealing with regulated advisers and wasn't being scammed.

In summary I don't think Prudential did enough here. However, if they had done everything they should have, on balance I still think Mr H would have transferred his pension and so he would be in the same position he is in now. So I don't think Prudential has caused the investment losses he has suffered.

Responses to my provisional findings

Prudential had nothing further to add and accepted the provisional decision.

Mr H's representatives disagreed and in summary raised the following:

- The provisional decision suggests Gerard Associates may have advised Mr H on the Prudential pensions which isn't the case.
- Initial advice on the transfer and investments had been given by FRPS. This is consistent with Mr H's testimony which says he was cold called by FRPS or Choices Wealth and then visited at home and by documentary evidence. Given Strategic Wealth was based in Gibraltar and FRPS and Choices Wealth were based in the UK, it's more likely it was one of the UK firms visiting Mr H. FRPS also had ties to TRG and it's well established from other cases that they were involved in giving advice.
- Strategic Wealth was the investment adviser on the QROPS and responsible for the investment selection. However, they didn't advise on the transfer away from Prudential.
- Mr H would have told Prudential that he had been cold called, visited at home and received advice from FRPS if they had asked him. He might have mentioned Strategic Wealth or Gerard Associates as well, but by late 2015/early 2016 Prudential had awareness of FRPS being involved in questionable SSAS transfers so their involvement now in a QROPS transfer ought to have been concerning. Also the involvement of potentially three advisers (one of them unregulated and one from a different jurisdiction) should have raised questions.
- The numerous warning signs present in the transfer did outweigh the presence of a regulated adviser.
- There were also concerns about Strategic Wealth. They were registered in Gibraltar, the QROPS was registered in Malta and was being administered on the Isle of Man. They question why Mr H needed to transfer to such a complex structure and his intention to move to Thailand doesn't explain why he needed a QROPS in Malta.

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 carefully considered the additional submissions from Mr H's representatives, however they don't change my decision.

I don't question Mr H's testimony that it was Choices Wealth or FRPS who cold called him and I think it's likely that it was FRPS who he met with at some point. There is no doubt that FRPS was involved in the process here. They certified passport copies and they were the firm that requested the pension information from Prudential on Mr H's behalf. And FRPS had links to TRG. So I think it's quite possible that FRPS set in motion the idea of a QROPS and the TRG investment and told Mr H this was a good idea.

As explained in my provisional decision I'm also aware that FSCS didn't see evidence that Gerard Associates advised on the transfer of the Prudential pensions. I also didn't see the suitability report they issued and I acknowledged that it was possible Gerard Associates didn't formally advise on the Prudential pensions. However, they did know about Mr H wanting to transfer both his occupational scheme and the Prudential pensions to the QROPS and they were working in tandem with Strategic Wealth. In his claim to FSCS Mr H referred to the cold caller as *an introducer* who referred him to Gerard Associates and that all subsequent dealings were over the phone. In the submissions in a claim against Gerard Associates Mr H complained about Gerard Associates not giving him risk warnings about the

QROPS and the investments within. This all despite Gerard Associates on paper not advising on the QROPS and investments.

The point I'm making is that what matters is what information Mr H likely would have given Prudential if they had asked him more questions about who had advised him. I can't be exactly sure what he would have said and how any questions would have been put to him. I'm not sure whether Mr H would have said he was advised by FRPS when the suitability reports came from Gerard Associates and Strategic Wealth. However, even if he had mentioned a combination of those firms as being connected to the advice, I think Prudential could have reasonably assumed that the advice only came from the firms who were regulated and had issued detailed reports for Mr H. It wouldn't seem unusual for an unregulated party to refer to a regulated party for advice.

I agree that there were warning signs present here (overseas investments, cold call and the involvement of unregulated parties). However, I still remain of the view that taking everything into account Prudential could take comfort from the fact that Mr H was transferring to a legitimate scheme and that regulated parties were involved in the advice. He hadn't been offered unauthorised access to his pension. His representatives say he was offered access to a tax-free cash lump sum. But this was not a warning sign of a scam. And he also was planning to move abroad which is a situation where a QROPS might have seemed more plausible-the non-UK residency in retirement is what is relevant here not that Mr H wasn't planning to retire in Gibraltar or Malta.

I also don't think the involvement of several advisers and one of them being abroad would have seemed unusual in an overseas transfer. During investigations into similar complaints and having spoken to consumers we have learned of the advisory involvement of FRPS in a number of transfers to SSAS with onward investments into TRG. However, I don't think that at the time of the transfer Prudential would have been aware of this.

I remain of the view that a transfer without further warnings would have been reasonable in the circumstances.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 April 2025.

Nina Walter
Ombudsman