

### **The complaint**

Mr K complains about the administration of an Individual Savings Account (ISA) transfer by Investengine (UK) Limited (Investengine).

He complains that having offered a bonus for ISA transfers, Investengine changed the terms of its offer by limiting the time he could take to transfer his ISA and secure the bonus.

Mr K also says that Investengine pressured him into selling his holdings causing him financial loss and stress and inconvenience and that selling his holdings disrupted his long-term investment strategy.

### **What happened**

In 2024 Investengine advertised a promotion where customers topping up or transferring to an ISA would receive a bonus depending on how much was invested or transferred. The highest bonus available was £2,500 if £300,000 was invested or transferred.

In April 2024 Mr K initiated an ISA transfer from his provider (who I will refer to as provider 1) to Investengine. He intended to transfer £300,000 to benefit from the £2,500 bonus.

Initially Investengine wrote to Mr K in April 2024 to inform him that provider 1 was unable to accommodate an electronic transfer and it asked him to complete a form so it could progress the transfer. Mr K completed and submitted the form on 30 April 2024 shortly after Investengine contacted him.

Investengine acknowledged receipt and in response to a query from Mr K confirmed that as he had initiated the transfer within the promotional period, he was eligible for the offer. The relevant offer period ran until the end of April 2024.

In June and July 2024 Investengine wrote to Mr K on several occasions indicating there was an issue with the transfer. It said it had received notification from provider 1 that it was unable to proceed with the transfer request because it needed Mr K to contact it directly in respect of switching the funds. Emails sent from Investengine were headed "ISA Transfer - Unable to proceed" and "ISA Transfer- Further action required." Investengine asked Mr K to contact provider 1 to resolve the issue.

During this period - towards the end of June 2024 - Mr K indicated to Investengine that he was actively pursuing the transfer process with provider 1 and he said it was progressing as planned.

At the beginning of August 2024 Investengine wrote to Mr K to inform him that as it hadn't received the information it had requested in order to carry out his ISA transfer, it was cancelling the transfer. Investengine said Mr K would still be able to resubmit the transfer request from his online account.

Mr K responded to say that he wanted to continue with the transfer. He said he had already explained that he would contact Investengine when he had the entire amount for the transfer in cash. Mr K said Investengine didn't need to contact him, and he asked Investengine what information it required from him.

Investengine responded and said that it had contacted Mr K on more than five occasions but hadn't received a response. It said it could still process the ISA transfer but there was an

outstanding issue, and it asked Mr K to contact the counterparty to liaise with provider 1 to carry out the switch instructions.

On 13 August 2024 Investengine contacted Mr K again and asked him for an estimated date by which he would have raised the full transfer amount.

Mr K responded and said that was dependent on market conditions. He said he had been selling holdings, and he only needed to raise about a further £44,000 to make up the total amount. Mr K said the markets had fallen but he expected to raise the full amount in September if the markets recovered.

On 23 August 2024 Investengine sent a follow-up email asking for an update on the liquidation of his holdings and an estimated date for realising the full amount.

Mr K responded on 27 August 2024 and said he had made some progress and that he needed approximately £20,000 to make up the entire amount. He said he planned and expected to have the entire transfer amount at sometime in September unless there was a market crash.

Investengine responded on the same day and informed Mr K that the ISA transfer bonus offer would expire on 30 September 2024. It said it would calculate the bonus amount based on the amount that had been received by Investengine at the close of business on that day and that any cash transferred after that date would not be eligible for the bonus and would not be taken into account in the bonus calculation.

Mr K responded and said that he expected to raise the full amount by the end of September however the cash transfer was managed by provider 1 and out of his control. He said the notice was unfair and as it pressured him to rush the sale of his remaining investment, and he didn't agree with selling investments under those circumstances. Mr K said Investengine had introduced a new condition which was not part of the terms and conditions in place when he submitted the transfer form, and he said that was unfair.

Mr K said that unless he received a written guarantee from Investengine that he would still receive the £2,500 bonus, he wouldn't proceed with the transfer. He said he couldn't risk further market losses, and he said he had already disrupted his investment strategy.

Mr K also raised a complaint with Investengine about the deadline it had set.

Investengine didn't uphold Mr K's complaint. It responded on 20 September 2024 and noted the correspondence sent between Investengine and Mr K.

Investengine said it was never its intention to pressure Mr K into rushing the liquidation of his assets. It said by 27 August 2024 Mr K had had nearly four months to sell down his holdings in order to complete the transfer and Investengine had then allowed a further month which it said accommodated the time frame Mr K had given.

Investengine said it appreciated that sometimes there were circumstances beyond a client's control that delay ISA transfers. However, it said in this instance it had done all it could to expedite the transfer process, but the outstanding issue was within Mr K's control.

Investengine said it reserved the right to change the terms and conditions for the 2024 ISA Bonus promotion at any time or withdraw the promotion entirely without notice for practical, operational or other reasons. It said those conditions were set out in the original ISA bonus promotion's terms and conditions which were available on its website during and after the promotional period.

Investengine said it intended to pay the full bonus, if it received the transfer of £300,000 by 30 September 2024. However, it couldn't guarantee the bonus would be received if the transfer was received after that date because of the time and resources it had taken to process Mr K's transfer.

Investengine said it had a duty to treat all clients participating in the promotion impartially, which meant it could not, in good faith, afford Mr K more time to transfer his ISA than the rest of its clients. It said it would calculate the bonus amount based on the amount of cash it received by the close of business on 30 September 2024.

In October 2024 Mr K indicated to Investengine that he wasn't going ahead with the ISA transfer.

Mr K referred his complaint to our service and made a number of representations which I have summarised.

Mr K said he was pressured by Investengine to accelerate the sale of his investments which he says caused him to liquidate his assets in a rising market thereby obtaining lower prices and losing gains.

He also complained about the communication he received from Investengine which he said was too frequent and didn't take into account his instructions that he would contact Investengine when he had sold his assets.

Mr K referred to several regulatory obligations he thought Investengine had breached. He said it breached standards by the way in which it communicated with him, that it applied undue pressure and failed to act in his best interests.

Mr K also referred to regulatory obligations in respect of the handling of complaints and remedial action and redress.

Mr K said Investengine hadn't compensated him for the financial loss, stress and inconvenience he had experienced.

In summary, Mr K said his financial losses were loss of capital gains, missed future appreciation, increased transaction costs, reduced investment returns, interruption of compounded growth and opportunity cost.

Mr K also said the non-financial impact he sustained was distress because he was pressured to sell assets and anxiety over the investment decisions he was making together with uncertainty regarding the bonus and transfer in the period from April 2024 to August 2024.

Mr K also said there was a disruption to his long-term strategy, and he lost control of his assets because he considered Investengine was dictating the timing and manner of his asset liquidation. Mr K says Investengine's actions also caused him increased administration, and he lost trust in Investengine which he said could impact him investing in the future.

Our investigator considered his complaint but didn't think it should be upheld. The investigator reviewed the 2024 ISA bond offer document and the correspondence between the parties.

She noted the original promotion on Investengine's website didn't provide a deadline for the transfer; however she thought it was reasonable to assume that the firm would at some point cap the offer. The investigator said on 27 August 2024, Investengine had given Mr K a month's notice that the offer would come to an end, and she noted it had stated in its initial terms that it may end the scheme early.

The investigator did not think it was unusual or unreasonable for a firm to set a cap or deadline on a promotional offer and noted that Investengine gave Mr K more than a month's notice of the deadline. She noted Mr K had explained that he had liquidated the bulk of his relevant investments by that time, he was waiting for the right time to liquidate the remaining £20,000 and that he didn't consider one month to be sufficient as he was watching market

conditions. The investigator noted that at the end of August, Mr K had said that he had stopped selling investments and any further sales would depend on market conditions.

The investigator took into account that the promotional window was open for about five months which she considered was a significant time period for customers to act if they wished to take part. She didn't think therefore that Investengine had acted unfairly or that it should be held responsible for Mr K not completing the transfer within that timeframe.

The investigator said that promotions of that nature would always carry some time sensitivity, and she said there was no regulatory obligation for firms to adjust the deadline based on an individual customer's circumstances.

Overall, she didn't think that Investengine had treated Mr K unfairly. She noted that in October 2024 he had decided not to carry on with the transfer and had instead looked to reinvest his cash.

Mr K didn't agree with the investigator's conclusions and asked for his complaint to be referred to an ombudsman.

As no agreement could be reached Mr K's complaint was referred to me for review.

### **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 have carefully considered the detailed representations outlined by Mr K. However this is an informal dispute resolution service, so I have focused on the issues I consider to be most relevant to his complaint and summarised his representations where I consider it to be appropriate.

Investengine advertised a bonus offer on top ups and transfers to its ISAs. The bonus depended on the amount of money that was invested or transferred. I consider that Investengine had to give information about the promotion that was clear so that customers could reasonably understand what they had to do to secure the bonus.

I have carefully considered the wording and terms of the promotion, and I think it was clear that the bonus ran for a specified period, and it outlined the amounts that would need to be transferred to secure each corresponding level of bonus. I think it was clear therefore that in order to secure a bonus you had to transfer the corresponding amount to the ISA and that transfer had to be initiated within the specified period.

Mr K says that Investengine has changed the terms of its offer because when he initiated the transfer there wasn't a deadline for completing the transfer and he initiated his transfer within the specified period.

The terms of the bonus said that Investengine would aim to pay the bonus within 30 business days of the end of the promotion period. And as the bonus was calculated by reference to the amount transferred or invested, I think it was clear that it was envisaged that the money would have been transferred or invested by that point. So, I don't think the terms of the offer provided for, or envisaged, an open-ended indefinite transfer period.

In any event I consider the terms of the offer expressly allowed Investengine to change the terms and conditions of that offer, as it said:

*"We reserve the right to end the scheme early"*

And

*"We reserve the right to change the terms and conditions for our 2024 ISA Bonus promotion at any time or withdraw the promotion in its entirety without notice, for reasons practical, operational or otherwise."*

So, I consider that Investengine explained in the offer documentation in clear and simple terms that it was able to change the terms and conditions of that offer. That meant it could impose a deadline for the transfer to take place. However, I consider that Investengine had to act in good faith and treat Mr K fairly when it applied any new terms.

I note that at the time Investengine imposed this deadline, four months had passed since the transfer was initiated and that it gave Mr K just over a month to complete the transfer. The 30 business days after the end of the promotion period had also passed. So, overall, I think Investengine had already given Mr K a reasonable period of time to complete his transfer prior to this notice being given. And I consider it gave him reasonable notice of the change of terms.

I also consider Investengine had engaged with Mr K to try to ascertain what was preventing the transfer from taking place. It had established that Mr K was seeking to sell his holdings at a favourable time in relation to market movement. So, it had allowed further time for Mr K to try to achieve this. I note the bonus was calculated by reference to the amount transferred so if he had wished to, Mr K could have transferred a lower amount and achieved a bonus, albeit a smaller bonus.

I don't think it would be a reasonable expectation to require Investengine to keep the transfer period, when the bonus would be applied, open indefinitely. As Investengine has said, it has to act fairly and equitably to all its customers – so allowing one person to have an indefinite period is likely to be unfair to others who had transferred more promptly. In addition, Investengine explained in its documentation that the offer could be withdrawn for operational or practical reasons and so I don't think it was unreasonable therefore for it to conclude that it was impractical to dedicate further resources and time to processing this transfer. And rather than withdrawing the offer it put a deadline in place instead.

I consider the nature of a promotion is that it is an incentive offered by a business to encourage a consumer to invest with that business. So, it follows that it is only open for a defined period otherwise it would be a normal feature of that product.

I also note that the terms of the promotion indicated that

*"The reward will be funded into the Customers InvestEngine General Cash account following the Promotional Period End. We will seek to complete this within 30 Business Days."*

So, I think this supports the position that the bonus offer was not open with an indefinite period for transfer of the funds.

While I understand that Mr K was trying to get a good price for his holdings, which he was, of course, entitled to do, I don't think Investengine had to therefore allow him an indefinite period for transfer. I think Investengine acted in good faith and allowed Mr K to reasonably pursue his financial objectives by giving the initial four-month period followed by one month's notice, which was also in line with the September timeframe Mr K had given in correspondence.

I don't think that period of time was unreasonable in the circumstances, and the deadline allowed Mr K to act, if he wished to do so. Or it was open to him to change his mind and invest elsewhere, as he eventually did.

I also note that this wasn't an all or nothing situation as Investengine explained in its email sent in August 2024 that it would calculate the bonus based on the amount transferred by the deadline.

#### Communication regarding the ISA transfer

Having carefully considered the contact between the parties, I don't think that Investengine pressured Mr K into selling his investments. I consider it was Mr K's decision to transfer his

ISA and his decision as to how much he wished to transfer and whether he was prepared to sell his holdings in order to do so.

I consider Investengine was in regular contact with Mr K because having received instructions to initiate the ISA, it was trying to ensure the ISA transfer took place without any unnecessary delay. I think it was reasonable for Investengine, as an ISA provider, to try to progress the transfer. And as it was receiving messages from provider 1 saying the transfer couldn't take place because Mr K needed to contact Provider 1, I don't think it was unreasonable for it to contact Mr K to try to find out what was holding up the transfer.

I consider it repeatedly contacted Mr K because there was an outstanding issue, and it was still receiving information to indicate there was a problem with the ISA transfer going forward - the issue being that Mr K hadn't sold all his holdings.

I also note that Mr K has referred to regulatory rules and guidance regarding the requirements in respect of communication sent or provided by financial businesses to consumers. However, I don't think the communication he received from Investengine was unclear. I think in its correspondence Investengine set out, in a clear and straightforward way, the necessary information for Mr K, which was what he needed to do to progress his transfer, namely contact provider 1. I think the information it provided was relevant and well-timed, sent after the transfer process had been initiated by Mr K, warning him that there was an issue and he needed to take some action.

I consider when Investengine received further clarification from Mr K that he was in the process of selling his holdings, it responded by asking him for an update on the timing and then finally by imposing a deadline.

#### Financial loss and non-financial impact

I note that Mr K has referred to several heads of monetary loss and non-financial harm he says were caused by Investengine. He has also referred to regulatory rules and guidance in respect of redress. However, the question of redress is only relevant here if I consider that Investengine has done something wrong which has caused Mr K financial loss or distress and inconvenience. I don't think Investengine acted incorrectly or unfairly, so the issue of redress doesn't apply here.

And in any event, I consider that it was Mr K's decision to disinvest in order to transfer a cash sum so that he could benefit from the bonus being offered by Investengine. Stocks and shares do fluctuate in value, and I consider Investengine allowed a reasonable period of time for the transfer to take place and still secure the bonus, so that Mr K didn't have to sell his holdings on a particular date in order to obtain the bonus. I don't think it would be reasonable therefore to hold Investengine responsible for Mr K not obtaining the best price over that period.

#### Complaint handling

Mr K has also raised the issue of how his complaint was handled by Investengine and has referred to the dispute resolution (DISP) rules. He says Investengine didn't handle his complaint in a fair and consistent manner. Complaint handling, of itself, does not fall within my remit as it isn't a regulated activity. So, that isn't something I can investigate.

I have however considered the substance of Mr K's complaint about the attempted transfer of funds to an ISA as part of this review. I have considered whether Investengine acted correctly and fairly towards Mr K and whether it communicated with him in a clear way which enabled him to understand how to progress his ISA transfer. And having done so, I don't uphold Mr K's complaint for the reasons I have already outlined.

### **My final decision**

My final decision is that I do not uphold Mr K's complaint against Investengine (UK) Limited. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 30 December 2025.

Julia Chittenden  
**Ombudsman**