

## The complaint

Mr F complains that Scottish Equitable Plc trading as Aegon (Aegon) sent incorrect instructions to a provider I'll refer to as provider H when he'd requested a transfer of £1,060 from his Aegon pension to his provider H pension. He feels this led to a financial loss and considerable distress and inconvenience.

## What happened

Mr F had a Self-Invested Personal Pension (SIPP) with Aegon. He wanted to transfer £1,060 from his SIPP with Aegon to a provider I'll refer to as provider H.

At the time of Mr F's online transfer request on 25 June 2024, the total value of his Aegon SIPP was £1,073. Instead of requesting a transfer of £1,060 from Aegon to provider H, Mr F incorrectly requested a transfer from provider H to Aegon through Aegon's online service.

Following this online request, Aegon sent an Origo request to provider H on 2 July 2024 to transfer Mr F's funds to it. The transfer effectively stated that it was for a full transfer but also stated that the uncrystallised amount requested was £1,060.

Aegon said that due to Mr F's wrapper type, his online request automatically generated an Origo request for the transfer to proceed. It said that there was no option to select a full or partial transfer when requesting a transfer in the manner Mr F had requested it. It said that such a request would automatically go through as a full transfer, with the request then noting the value input online – in this case £1,060 - on the Origo transfer request.

Provider H acted on the transfer request and took steps to sell all of the assets in the SIPP Mr F held with it to cash. He held a small amount of cash and 384,500 shares in equity A and 1,500 shares in equity B. His total SIPP with provider H was worth over £700K.

On 4 July 2024, provider H sent Mr F an acknowledgement of his transfer request. It said he should let it know as soon as possible if he wanted to cancel the transfer. But noted that it wouldn't be possible to cancel any sale instructions that had already taken place.

Mr F then realised that he'd requested the transfer of his funds the wrong way round, so he quickly replied to provider H to ask it to cancel the transfer. But it didn't pick up his response until the afternoon of 4 July 2024, after it'd sold both of his share holdings.

Mr F also cancelled his transfer with Aegon on 4 July 2024. During his call with Aegon, Mr F said that provider H had told him that Aegon had told it to sell all his shares before transferring his funds to Aegon. He wanted to know what had happened.

Aegon said that all of his SIPP funds with it remained invested. It said that if Mr F had submitted a transfer request, provider H would've acted on it. Mr F still didn't understand why provider H had sold all of his shares as his total fund value with provider H was over £700K and he'd only requested a transfer of £1,060.

Aegon explained that if Mr F wanted to move money from Aegon to provider H, he'd need to

initiate the process through provider H. It also said that following Mr F's transfer request, it expected provider H to send it £1,060. Aegon said it would cancel the transfer.

Mr F was unhappy and raised a complaint.

On 9 July 2024, provider H called Aegon. It felt the transfer request had been incorrect and had caused a loss for Mr F. It asked Aegon if it would accept liability.

On 12 July 2024, provider H wrote to Aegon. It explained what'd happened. It said it'd received an electronic request for a full encashment transfer of Mr F's SIPP with it to Aegon on 2 July 2024. It said it'd therefore sold down the entirety of Mr F's SIPP account.

Provider H said that Mr F had since told it that such a transfer hadn't been his intention and that his holdings shouldn't have been sold. It asked Aegon to confirm what instruction Mr F had given it, and how he'd provided it. It also asked Aegon if it would be willing to cover the cost of reversing the erroneous sales.

Aegon responded to provider H on 13 Jul 2024 to say that Mr F had himself submitted the transfer request. It said it wasn't at fault and that it hadn't had any dealings with the transfer until Mr F had contacted it to cancel it.

Mr F called Aegon. During the call he explained his mistake. Aegon said that provider H should've noticed that the amount requested was much lower than Mr F's total SIPP value.

Aegon issued its final response to the complaint on 24 July 2024. It acknowledged that Mr F felt that it'd requested the full sell down of his assets with provider H. But it didn't think it'd done anything wrong. It said it'd followed its expected process by contacting provider H through Origo on 2 July 2024. And that it'd cancelled the transfer when Mr F requested it. Aegon also said that it wasn't involved in moving Mr F's provider H assets.

Mr F was unhappy with Aegon's response, so he referred his complaint to this service.

Mr F was able to buy back his provider H SIPP shareholdings in equity A and equity B on 23 July 2024 and 24 July 2024. He was also able to buy 4,058 more equity A shares than he'd previously held on 25 July 2024. The total price he paid for all of the purchases, including charges, was covered by the value in his provider H SIPP.

Mr F then initiated a transfer request from provider H to a new provider. This was requested by that provider on 29 July 2024 and completed on 20 August 2024.

After issuing its own final response to Mr F's complaint on 29 August 2024, provider H wrote to Aegon about the complaint. Aegon said it received this on 3 September 2024. Provider H said that its usual process when transferring an account to another provider was to process the transfer in line with the request received. It said it'd sold Mr F's investments due to Aegon's 2 July 2024 Origo request.

Aegon replied to provider H on 27 September 2024. It said that it'd only acted on Mr F's instruction.

Mr F told this service he wanted compensation for the lost opportunity and the distress caused by Aegon's handling of this situation. He also felt that Aegon had sent incorrect instructions to provider H. Mr F felt that provider H had failed to restore his shares because Aegon refused to accept responsibility.

Mr F felt that Aegon's website was extremely basic and that this had contributed significantly

to the confusion. He said there was no option to specify a partial transfer, choose between cash or equities, or provide a breakdown of assets. He felt that if the transfer process had been more detailed and transparent, a mistake like this would likely not have happened.

Aegon told this service that once Mr F had submitted his transfer request, it'd expected to receive around £1,060 from provider H. It said the online request had led to an automatic submission of the transfer request. It felt it'd acted in good faith on Mr F's instruction. It also provided evidence that the transfer requested was for an approximate transfer value of £1,060.

Our investigator didn't think the complaint should be upheld. He noted that the events in question had stemmed from Mr F's error. He said that Aegon had provided screenshots which showed the customer journey when a transfer was requested using Aegon's system. And that having reviewed those, he could see there was no option for a consumer to choose between making a partial or full transfer. Instead, there was only an entry box for consumers to enter an approximate value of the transfer they would like to make. Mr F had input £1,060.

Our investigator said that when Aegon's system picked up the transfer request, it sent an electronic request to provider H that was marked for his entire fund. He said that while it wasn't for this service to tell a business how to operate, he felt the lack of an option to choose a partial or full transfer on was limiting. He felt these limitations and the lack of clarification were what led to a full transfer being requested. And that Aegon should've simply requested £1,060 instead of a full transfer.

Our investigator didn't think Aegon was responsible for the subsequent actions taken by provider H. He felt that provider's actions had a greater impact than Aegon's actions on what happened. But he noted that Mr F had actually benefited as a result of what happened. So he didn't think Aegon needed to take further action.

Mr F didn't agree with our investigator. He felt Aegon had treated him unfairly. And that it'd let him down due to failings in its procedures.

As agreement couldn't be reached, the complaint has come to me for a 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.

Having done so, I'm not going to uphold it. I know this will be disappointing for Mr F. I'll explain the reasons for my decision.

I first considered how Mr F requested his transfer and what Aegon actually requested from provider H.

#### *What was requested and in what way?*

I acknowledge that Mr F hadn't tried to carry out a pension transfer before, and that it can be a complicated process, so I understand why he made his initial mistake when he tried to arrange the transfer through Aegon, rather than provider H.

However, in completing his online transfer request, Mr F was required to make a declaration. This stated:

*Your decision to transfer your pension funds to your [Aegon] pension .....*

It also stated:

*I apply and consent to transfer to my [Aegon SIPP] on the basis set out above.*

I think this shows that Mr F could've realised his error before submitting the wrong transfer request. I say this because the declaration makes it clear that the transfer he was about to request was TO Aegon, not from it.

Aegon acknowledged that given Mr F's wrapper type, his online request automatically generated an Origo transfer request. It said that there was no option to select a full or partial transfer when requesting a transfer in this way. But it felt that it was more likely than not that if there had been an option to select a partial transfer, Mr F would've in any event have selected a full transfer, given his fund value at the time was very close to £1,060.

As I noted in the background section, while the Origo transfer request did state that it was for a full transfer, it also stated that the uncrystallised amount requested was £1,060. This was in line with Mr F's online request. Therefore, given I'm satisfied that the Origo request did include the correct amount Mr F wanted to transfer, as well as stating it was for a full transfer, I'm persuaded that Aegon had provided enough information on the request for provider H to have at least questioned that request.

I accept that following Mr F's initial error, there were a number of things that different parties could've done that would've helped to ensure that he didn't then face the full encashment of his SIPP with provider H, and the stress this then caused him before he could repurchase the shares that provider had sold. I do agree with our investigator and Mr F that if Aegon's online transfer request had provided more options, this issue could've potentially been avoided. However, as our investigator also noted, this service doesn't have the power to tell businesses how to operate, or to amend its systems. In any event, I'm satisfied that Aegon's online process did have enough information for Mr F to have been able to realise his mistake before he requested the wrong transfer. And I'm also satisfied that the Origo request that was automatically raised had sufficient information in it – despite it stating it was for a full transfer- for provider H to have questioned it before processing a full sell down of assets.

The evidence shows that Aegon followed its normal process when it requested the transfer through Origo on 2 July 2024. It also shows that Aegon cancelled the request as soon as Mr F asked it to. I therefore can't reasonably say that Aegon made a mistake or that it acted unfairly.

Mr F himself said that his main issues were with provider H. I'm pleased to see that Mr F has in the end been able to return his pension savings to a better position than they were in before the incorrect transfer request, although I do accept that it's been a stressful time for him. And, for the reasons I've described above, I can't fairly uphold his complaint against Aegon.

### **My final decision**

For the reasons explained above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 15 August 2025.

Jo Occleshaw  
**Ombudsman**