

## **The complaint**

Mrs J's complaint is that advice to her in 2005 from Bank of Scotland plc trading as Halifax ("Halifax") to invest in a Stocks & Shares Individual Savings Account (ISA) was unsuitable.

## **What happened**

In May 2005 Mrs J was advised to invest in a Stocks & Shares ISA by Halifax.

In February 2008 Mrs J encashed the ISA.

In January 2025, with the help of a claims management company (CMC), Mr J complained to Halifax that its advice in 2005 was unsuitable. Halifax thought that as Mrs J had encashed the ISA so long ago, she must have been aware that she had cause for complaint more than three years before she made the complaint. It thought the complaint had therefore been made too late to be considered.

The CMC referred Mrs J's complaint to the Financial Ombudsman Service in April 2025. It was considered by one of our investigators. She did not agree that encashing the ISA meant Mrs J must have been aware she had cause for complaint and that the complaint must have been made too late. But she also thought the complaint should not be upheld as she did not consider the advice to Mrs J had been unsuitable.

The CMC does not agree with the investigator. It has made a number of points including the following:

- For an investment to be suitable the adviser needs to consider issues such as the consumer's ability to remain invested in the event of a market downturn.
- Mrs J encashed her ISA in February 2008 at the peak of the financial crisis which shows she did not understand the investment as she panicked and encashed rather than remain invested to await a recovery.
- As Mrs J did not understand the investment it was unsuitable for her regardless of what the adviser recorded regarding her personal circumstances at the time.
- Mrs J's conduct shows she was not a medium risk investor.

## **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 the recommendation report recording the advice to Mrs J in 2005. The point that the report was not challenged at the time of the advice or questioned for almost 20 years has to be noted as it weakens the challenge made to it at this late stage.

The investment recommendation is supported by reasoning which is broadly consistent with Mrs J's circumstances and objectives and attitude to risk recorded at the time which seem plausible and reasonable.

A relatively short time after the investment the financial crisis occurred. This was an exceptional time and I do not consider that Mrs J's response to it shows the advice given almost three years earlier was unsuitable. Nor does it show that Mrs J was not reasonably assessed as a medium risk investor at the time of the advice.

If other factors such as affordability meant the advice was unsuitable this is something Mrs J would have understood at or by the time of encashment in 2008 and would (or should) have complained about much earlier.

In all the circumstances I am not persuaded the advice to Mrs J in 2005 was unsuitable and I do not uphold her complaint.

### **My final decision**

I do not uphold Mrs J's complaint against Bank of Scotland plc trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 21 January 2026.

Philip Roberts  
**Ombudsman**