

The complaint

Mr W complains that Alltrust Services Limited (“Alltrust”) refused to transfer his Self-Invested Personal Pension (“SIPP”) to a different provider. He says in the run up to this decision they imposed unreasonable conditions and didn’t communicate with him and his financial adviser in a timely manner. He says Alltrust hasn’t treated him fairly and he is being financially disadvantaged as a result.

What happened

Mr W held a SIPP with PSG Limited in the UK. Mr W lives overseas and sought advice from a UK regulated adviser to review his pension. A suitability report was issued by his adviser on 24 July 2024 advising him to transfer to another UK regulated SIPP.

On 12 August 2024, the new SIPP provider sent a request to PSG for Mr W’s funds to be transferred which Alltrust confirms was received on 15 August. This included the relevant discharge forms and a completed due diligence form provided by PSG which showed that Mr W had received advice and noted the name and FCA registration number of his UK adviser. As a reason why he wanted to transfer, Mr W stated on the form that the charging structure in his existing SIPP was complex and didn’t any longer reflect his circumstances and objectives.

On 18 September 2024 PSG asked Mr W for a passport copy which he sent by email the same day. On 3 October 2024 PSG asked for a surrender declaration form which was provided on 10 October.

On 25 October 2024 PSG was placed into administration and Alltrust bought their book of business. From that day Alltrust was responsible for the administration of Mr W’s SIPP. They don’t hold liability for PSG’s actions before that date.

On 8 November 2024, Mr W was informed that his funds had been requested from the investment provider on 23 October and once received payment would be made to his new SIPP.

On 18 November 2024, the encashed funds in Mr W’s SIPP were received in his SIPP bank account.

On 18 November 2024 Mr W and his adviser were told that following the purchase of PSG Limited by Alltrust a copy of a suitability report was required to complete the transaction.

Mr W didn’t want to share the suitability report and complained about the delays and these new requirements but Alltrust remained of the view this was needed and his adviser eventually provided a redacted copy of the suitability report on 10 December 2024.

On 9 January 2025, Alltrust informed Mr W’s adviser that as Mr W resided abroad, they needed a suitability report from a firm regulated in his country of residence (Bahrain).

On 17 January 2025, Mr W told Alltrust obtaining advice from an adviser in Bahrain was not

possible as independent financial advice was not regulated there.

Alltrust made their own enquiries with the Central Bank of Bahrain and based on their response considered that Mr W's adviser needed a licence from the Central Bank of Bahrain. Alltrust says Mr W's adviser isn't on the Central Bank of Bahrain's licensing directory and so didn't have the right permissions to advise Mr W. They kept insisting on a suitability report from a licensed adviser in Bahrain.

No agreement could be reached and Mr W referred his complaint to our Service in late January 2025.

Since then, in further communications between Alltrust's and Mr W's solicitors in February and March 2025, Alltrust said the reasons for refusing to transfer Mr W's SIPP was that they had to follow the The Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021 ('Transfer Regulations') which required them to carry out due diligence and refuse a transfer if certain red flags were identified. Alltrust said two red flags were present here:

Red Flag 3: Someone carried out a regulated activity without the right regulatory status

Red Flag 4: The member requested a transfer after unsolicited contact

Alltrust also explained they had to act in the consumer's best interest and under the Consumer Duty had to prevent reasonably foreseeable harm.

One of our investigators upheld Mr W's complaint. In summary he found that:

- Alltrust was required to comply with The Transfer Regulations and carry out due diligence checks. These checks were designed to protect customers from falling victim to scams.
- Asking for a suitability report from the UK adviser was reasonable to help them with their due diligence enquiries
- Red Flag 3 relates to unregulated activities happening in the UK. Mr W's adviser had the correct UK permissions to advise on a UK pension. An advice report from Bahrain was not required or reasonable to request in the circumstances. The red flag was applied incorrectly.
- Red flag 4 was applied due to some answers on the due diligence questionnaire. However, it shouldn't have been applied without seeking further contact with Mr W clarifying what happened. If they had done so they would have found out that Mr W wasn't contacted unsolicited.
- Alltrust had acted in good faith and tried to protect Mr W. However, they had incorrectly applied the red flags here and their communications could have been better and more transparent at times.
- Alltrust should reassess Mr W's transfer with the investigator's observations about the red flags in mind. This will give Alltrust the opportunity to investigate any other potential outstanding concerns.
- Alltrust should pay Mr W £450 for the distress and inconvenience they caused him by blocking the transfer without fairly assessing it.
- Mr W's funds shouldn't have been disinvested until it was clear the transfer would proceed. Alltrust should calculate any loss Mr W's pension has suffered by not being invested from 18 November 2024 until the day he actually transfers. If the transfer doesn't go ahead, losses should still be compensated for the time Mr W was disinvested.

Mr W didn't think Alltrust had acted in good faith, but accepted the outcome of the

investigator's view.

Alltrust disagreed that they had incorrectly rejected the transfer. They noted that even if the complaint was upheld the redress recommended was unfair. They considered the amount awarded for distress and inconvenience was excessive in the circumstances given they had acted in good faith and the circumstances had been complex. With regard to compensating for investment losses, they pointed out that the disinvestment was instructed by PSG on 23 October 2024 before Alltrust took over. Alltrust also couldn't reinvest Mr W's funds without his or his adviser's instructions which they had not received to date.

As no agreement was reached, Mr W's complaint was passed to me for an ombudsman's decision.

Provisional decision

I previously issued a provisional decision upholding the complaint. I repeat my provisional findings below.

What was Alltrust required to do?

Alltrust was required to follow the Transfer Regulations and carry out due diligence on Mr W's transfer. This involved checking whether any red or yellow flags were present. Yellow flags would require Alltrust to ask Mr W to attend a safeguarding appointment (if he didn't attend this would lead to a red flag). Red flags mean Mr W would have no statutory right to transfer his pension and a statutory transfer had to be refused.

I want to point out that a statutory transfer is not the only way a transfer might proceed. There can be contractual rights under the terms and conditions of the ceding scheme, or its trustees may be entitled to exercise discretion as to whether or not a transfer may proceed. For example if despite a red flag being present the trustee considered the transfer was in the consumer's best interest and didn't pose a risk.

The Pension Regulator's guidance makes it clear that firms should not use non-statutory transfers to avoid carrying out due diligence. So even if Mr W had a contractual or discretionary right under his policy, it was appropriate for Alltrust to do their full due diligence first.

The Transfer Regulations were introduced to protect transferring members from being scammed, the repercussions of which are potentially devastating when it comes to pensions. Those Regulations can result in a red flag being applied and someone losing, for their own protection, their rights under legislation that ordinarily would have guaranteed their ability to transfer their pension. I think it's reasonable for all this to inform whether a transferring scheme grants a transfer under the terms and conditions of a policy when a red flag is present.

Was it reasonable for Alltrust to ask Mr W for the suitability report from his UK adviser?

Like the investigator I consider this was a reasonable request here. Alltrust took over from PSG on 25 October 2024. PSG obviously had considered that they had done sufficient due diligence and had decided to proceed with the transfer. However, Alltrust was responsible for fulfilling their own regulatory obligations and could be held accountable if they failed in their obligations. So they were entitled to carry out their own checks rather than rely on a decision made by their predecessors.

In order to check whether any red or amber flags were present Alltrust needed to carry out

checks on the receiving scheme, whether Mr W was being advised and by whom and what motivated the transfer. Due diligence also included checks on how Mr W's pension would be invested. This was to check amongst other things whether it included overseas, high risk or unregulated investments and whether the scheme had an unclear or complex charging structure. Mr W has pointed out that the receiving scheme also did due diligence on the investments, however ceding schemes do have their own obligations here. I don't think asking for a suitability report was the only way to gather that information and if Mr W had not been advised I wouldn't think it was reasonable to require him to get that advice. However, given that he had received advice and did have a suitability report, this was a reasonable and easy way to obtain a lot of this information in my view.

I do however think Alltrust's communications here could have been better. Mr W queried why a suitability report was needed and he didn't want to share all his financial details which were included in the report. I can't see that any information was provided to him to explain what information they were looking for and why. Clearer communication and dialogue with Mr W would have likely led to less frustration for Mr W.

Were red flags reasonably applied?

Red Flag 3-regulated activity without right regulatory status

Alltrust applied this flag as they considered Mr W's adviser didn't have the correct permissions to advise Mr W in Bahrain. I'm not convinced the adviser required a licence in Bahrain. The Central Bank of Bahrain told Alltrust on 24 February 2025:

"Please be advised that entities providing regulated financial services in the Kingdom of Bahrain require a license from the Central Bank of Bahrain. Further, no marketing to or solicitation of Bahrain residents is allowed in Bahrain without the said license. However, Bahrain residents may approach overseas service-providers to obtain financial services."

This explicitly states that Bahrain residents were allowed to approach overseas advisers to obtain financial services which I'm satisfied happened here. I'll cover this in more detail in the next section of this decision.

In any event, Red flag 3 refers to regulated activities which have been carried out without the required FCA permissions and where the person carrying out that activity breaches Section 19 or 20 of the Financial Services and Markets Act 2000 (FSMA). Mr W's UK adviser was authorised by the FCA to advise on pensions. Even if he breached any permissions regime in Bahrain (which I'm not sure he did here) this wouldn't be a breach of FSMA. So the red flag doesn't apply.

I also consider it was logical that an expat abroad might have been looking for UK regulated advice when transferring from a UK SIPP to another UK regulated SIPP, rather than find an adviser in Bahrain. So the action in itself shouldn't automatically have been suspicious.

Red flag 4-unsolicited contact

On the due diligence questionnaire Mr W completed for PSG he was asked whether his adviser first approached him by email, text phone call, through social media or in person. He answered with yes.

He was then asked: *Was the person known to you, for example your employer or someone working for the scheme, or an alternative pension scheme.* Mr W answered with no.

He then confirmed that he expected the contact and that he had given them prior consent to

contact him. He also said he wasn't offered a free pension review, wasn't offered an incentive and wasn't pressured in any way.

Alltrust decided that Mr W likely had been contacted unsolicited.

I don't think this was a reasonable conclusion to reach based on the information they had. Mr W said he was contacted and advised by a UK regulated adviser and that he had given prior consent to contact him and that he was expecting the contact. I don't think his answer that the adviser's first contact happened by call, text, email etc indicates this happened first and Mr W only subsequently consented to such contact.

I also think the question about whether Mr W knew the adviser could have been reasonably misunderstood. It didn't just ask whether Mr W knew the adviser. It asked whether for example they were Mr W's employer or someone working for the scheme which seems quite specific.

I don't consider his answers reasonably supported an assumption he likely had been contacted unsolicited.

If Alltrust had doubts or thought the answers on the due diligence form were conflicting in some way, a logical step would have been to contact Mr W and ask more questions around this rather than remove his statutory right to transfer. They were provided with evidence that Mr W was actually being advised by a UK regulated adviser which should have provided some comfort that he was dealing with a reputable party.

I can see that in an email on 27 February 2025 Alltrust contacted Mr W about reinvestment of his funds whilst he was waiting for the transfer (they had already contacted his adviser about this a week before). In that email they asked Mr W at the end of the email to confirm how he came in contact with his adviser, so that they would have this information on file. Mr W responded to this email to reiterate his view that the transfer should proceed and why he wanted to move away from Alltrust. He didn't answer the question about how he and the adviser came in contact. However, again I don't think Alltrust could reasonably conclude from this that he was contacted unsolicited or that he was deliberately not answering their questions.

The suitability report Alltrust received was redacted as Mr W didn't want to share all of his personal information and details of other assets with Alltrust. Alltrust could still see that Mr W had received advice from a UK regulated adviser and how he was advised to invest and why. I don't think Alltrust reasonably needed the redacted parts of the report for their due diligence purposes.

Mr W provided us with detailed testimony and more information about how he ended up receiving advice on his pension. He provided evidence which showed he had received advice from a different UK regulated adviser in 2018 where a future change in SIPP provider was already discussed as Mr W was unhappy with the adviser (not UK based) who had recommended him to invest with PSG and into a bond in the first place. Mr W was introduced to his current adviser by a work colleague in 2021. The adviser arranged for Mr W to get some tax related help in his previous firm. In 2023 Mr W got back in touch with the adviser who now had his own advisory firm and Mr W asked him to review his pension. Mr W's testimony is persuasive and shows that he has carefully thought about his pension and what to do with it.

I consider if Alltrust had made further enquiries with Mr W at the start, like they reasonably should have in my view, they would have likely found out that he had contacted the adviser in the UK to discuss his pension and wasn't contacted unsolicited.

Alltrust said their initial assumption that Mr W was likely contacted unsolicited was further supported by Mr W incorrectly confirming to them independent financial advice was not a regulated activity in Bahrain and Mr W's adviser falsely confirming to Alltrust that they had the required permissions to advise in Bahrain.

Alltrust say it is well-known that in instances of pension scams individuals are coached what to say to ceding schemes so that a transfer is processed quickly and with less scrutiny. And they considered Mr W and his adviser providing them with incorrect information could be a sign of this. I understand Mr W feels strongly this isn't the case here and he very much is in control of the transfer and understands what he is doing and why. And I fully sympathise with his frustrations here.

Equally, I understand Alltrust's concerns that Mr W and his adviser were giving them information about what activities were regulated in Bahrain and Mr W's adviser apparently saying he did have special permissions in Bahrain which didn't align with Alltrust's own enquiries about this matter with the Central Bank of Bahrain and the licensing directory. I note that I haven't seen details of these conversations between Mr W's adviser and Alltrust.

However, even if Alltrust had some concerns about this, I still don't think this reasonably supported a decision that Mr W had likely been contacted unsolicited.

I conclude that Red Flag 4 was applied unreasonably here.

Other reasons to refuse the transfer

I can't see that any other red flags applied here, which means Mr W had a statutory right to transfer. Alltrust pointed to their concerns about the adviser saying they had permissions in Bahrain which didn't match their own investigations and enquiries with the Bahrain authorities. They considered Mr W might have not been given the right information about this which could lead to a loss of protection and Mr W's insurer's potentially not covering this activity abroad.

Alltrust was obliged under the Consumer Duty to prevent foreseeable harm to Mr W and they did have to act in his best interest. However, I don't consider Alltrust needed to refuse the transfer here to fulfil their obligations under the Consumer Duty or generally act in Mr W's best interest. They could and should inform Mr W about the concerns they have and what they consider some of the associated risks might be for Mr W. If Mr W is aware of Alltrust's concerns and what risks they see with his transfer, he will be in an informed position to choose whether he wishes to proceed.

I also note that in early March 2025 Alltrust agreed to invest Mr W's pension in line with his adviser's recommendation (within their own SIPP) if Mr W agreed to this. This was despite Alltrust saying they had concerns about Mr W being misled by his adviser. So it seems they had no real concerns with the investment strategy that was suggested and I understand that they were in principle willing to work with Mr W's adviser. I can see why Alltrust's actions here seem conflicting to Mr W and I can understand why this looks to him as if Alltrust wants to keep hold of his funds in their SIPP. Alltrust didn't really engage with any arguments Mr W was putting forward.

Delays

I think up to the point Alltrust asked for the suitability report from an adviser in Bahrain they acted reasonably and within a reasonable timeframe particularly taking into account that they only took over the SIPP in October 2024 and are not responsible for anything which happened under PSG.

As explained above I don't think the transfer should have been refused as no red flags should have been reasonably applied here. It's possible that Alltrust considers yellow flags apply to the transfer and so a Moneyhelper appointment would be required. However, even if so, assuming Mr W still wanted to transfer after his appointment and after any warnings were given, it's likely the transfer could have proceeded at some point in February or March 2025. So Alltrust have clearly unreasonably delayed a transfer here.

Putting things right

Alltrust should let Mr W know promptly whether they need any further documentation or information from him and upon receipt, reassess the transfer again taking into account all of my comments above.

Distress and inconvenience

I agree with the investigator that the delays and not being able to transfer have caused Mr W distress and inconvenience for an extended period of time now. The transfer was requested 17 months ago and the matter is still ongoing. Alltrust is responsible for a significant part of that delay. I also consider their communications of why they requested particular information and what their concerns were in Mr W's case could have been a lot clearer and transparent at times which caused more frustration than needed.

I consider the award of £450 for the prolonged distress and inconvenience caused to Mr W is reasonable in the circumstances. Any frustration and upset could have been reduced by better communication from Alltrust. Mr W instructed solicitors to communicate with Alltrust on his behalf later in the dispute and I understand he would like to be compensated for these costs. However, it was Mr W's choice to instruct solicitors and I don't think this was reasonably required. Mr W had already raised his complaint with our service which was free of charge.

I recognise Mr W feels Alltrust has attacked both his and his adviser's character by accusing the adviser of lying about his permissions and Mr W being manipulated in their solicitor's letter of 21 March 2025. I would generally expect Alltrust to voice such concerns if they had them so that Mr W was aware of this. It's unfortunate all of Alltrust's reasons for ultimately refusing the transfer were only put to Mr W in their solicitor's letter in March 2025. If communications with Mr W about potential concerns had been more transparent and clearer earlier on in the process, I think the now obvious breakdown in trust and customer relationship could possibly have been avoided.

Financial loss

PSG asked for Mr W's funds to be disinvested on 23 October 2024. This followed Mr W signing a surrender form earlier that month and PSG confirming all outstanding requirements had been met. At this point PSG obviously considered they had all the required information they needed to proceed. When Alltrust took over the SIPP this instruction had already been given, so I don't hold them responsible for the disinvestment timing. And as I explained earlier they were entitled to carry out their own due diligence.

Alltrust wouldn't have been able to simply reinvest the funds without Mr W's or his adviser's instruction. I can see from Mr W's adviser's email to Alltrust on 10 December 2024 that he was concerned about Mr W's funds sitting in cash and that a transfer now had been delayed. At this point I think it's likely that Mr W and his adviser reasonably considered that now a suitability report had been provided a transfer might happen fairly soon which is possibly why reinvestment wasn't instructed.

However, then discussions around the requirements for a suitability report from Bahrain started. Alltrust sent Mr W an email on 27 February 2025 reminding Mr W he was invested in cash and that his adviser had requested whether the funds could be reinvested. Alltrust offered to invest Mr W's funds in line with the adviser's recommendations if he confirmed his agreement. A number of investment providers which could be used for this investment were offered. When Alltrust provided submissions in October 2025 they said instructions had still not been received and I'm not aware that any instructions have been given to Alltrust since.

So whilst I think the transfer was avoidably delayed by Alltrust and so Mr W likely could have been invested in his new SIPP many months ago, I think Mr W didn't do enough here to mitigate his financial losses. His financial adviser at the very least knew that the money was not invested since 18 November 2024 and currently I have seen no evidence that any instructions were given to Alltrust to make any investment. As I said I can understand why Mr W and his adviser might not have reinvested straight away when Alltrust asked for the suitability report in November 2024. And I also recognise that by the time reinvestment options were offered by Alltrust in February 2025, Mr W was still adamant a transfer should proceed and maybe was still hoping this would happen.

However, after the letter on 21 March 2025 at the latest I think it was reasonably clear that a transfer would not proceed for some time (if at all) and at this point the money had already been out of markets for four months. Mr W was specifically asked for instructions in late February 2025. So I would have reasonably expected Mr W to give instructions to reinvest his funds in some way whilst the dispute about whether a transfer could proceed was ongoing and a complaint was pending with our service.

Alltrust isn't responsible for encashing the funds and I don't think it's fair and reasonable to hold them responsible for investment losses that Mr W suffered by keeping his funds in cash for such an extended period of time despite given the opportunity to reinvest in line with his recommended investment strategy. So I'm not currently intending to make an award for this.

Responses to my provisional findings

Alltrust accepted the provisional decision and confirmed that the transfer had proceeded in January 2026.

In summary, Mr W considered it was unreasonable for me not to award his financial losses. He also considered the award of £450 didn't appropriately recognise the time and effort he spent on the matter and the unnecessary worry and stress suffered and he thought it would be reasonable for his legal costs to be refunded. Mr W also repeated that he considered Alltrust had acted in bad faith and this had unreasonably been discounted in the provisional 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.

Mr W made detailed submissions which I have carefully read and considered. I'm not going to comment on every detail he raised but will focus on what I consider to be the key arguments.

Financial Losses

I agree with Mr W that Alltrust had a duty of care when they took over the SIPP from PSG and I explained in detail why I consider Alltrust didn't act reasonably here and caused

unnecessary delays and avoidable frustration. Mr W considers there were no specific reasons for Alltrust to question PSG's due diligence which had already been completed. However, I remain of the view that they were entitled to form their own opinion whether any risk factors were likely present here. And I do consider asking for a suitability report from Mr W's adviser was a reasonable request and not onerous to provide. It was their following actions including the insistence on a suitability report from Bahrain which were unreasonable.

I already decided that if Alltrust had acted as they should have, the transfer would have happened a lot earlier than it did. They received the suitability report on 10 December 2024. As explained in my provisional findings I consider a reasonable assumption would be that a transfer should have completed by February or early March 2025. This is allowing time to review the suitability report together with other information available, ask any follow up questions, possibly refer to Moneyhelper and provide risk warnings.

Mr W has queried why I didn't award any losses between 18 November (when the funds were received in cash) and 27 February (when Alltrust offered him to reinvest). On balance I don't consider that he would have been invested in his new pension during this time even if Alltrust had acted reasonably. And I already explained that they are not responsible for the pension monies being disinvested at the time they were. Given his reaction when they did offer to reinvest his funds, I also don't think it's likely Mr W would have reinvested his funds if this offer had been made at a point before February 2025.

I remain of the view that Mr W ought to have reasonably mitigated his losses by investing his funds in the Alltrust SIPP. Mr W says investing through another platform in his existing SIPP would have been practically difficult and would have required his adviser to agree to terms of business with Alltrust, provide a new financial review to determine suitability of the new platform and all of this would have taken time. I'm not persuaded by these arguments. Alltrust's email of 27 February suggests that they would allow reinvestment of funds in line with Mr W's adviser's recommended investment strategy despite not having terms of business with his adviser. At this stage the aim was to reinvest Mr W's funds which were sitting in a cash account. I think it's likely Mr W could have given instructions himself or if he wanted advice on which platform to use, he could have consulted with his adviser. I don't think this would have taken that long and it was Mr W's adviser who was worried and had raised the enquiry of whether Mr W could reinvest his cash funds, so he was obviously keen to help with this.

Even if some administrative hurdles still had to be overcome at this point, I don't think it was reasonable for Mr W to not even make any attempts to try and do this. Instead the funds remained in cash for 15 months. Even though Alltrust caused delays in the first place, Mr W ought to have reasonably mitigated his losses here. I understand that he wanted the transfer to proceed and that he had lost trust in Alltrust and didn't want to invest within his existing SIPP. However, I don't think this justifies not taking any action when it was clear that this would cause him to lose on investment returns on a large sum of money.

There is no dispute that Alltrust didn't act as they should have. However, it was in Mr W's reasonable power to prevent any financial losses caused by Alltrust's delays by investing his funds whilst the dispute about the transfer was ongoing and so I don't think it's reasonable to ask Alltrust to pay for these losses.

Award for distress and inconvenience and legal costs

I don't doubt that Alltrust's handling of the transfer process was frustrating and caused Mr W distress and inconvenience. The award of £450 is at a level this Service asks a business to pay if their actions caused a customer considerable distress and worry and/or significant

inconvenience that takes a lot of effort to sort things out. And I think this is the level of distress and inconvenience caused here. I understand Mr W made his own enquiries with the Central Bank of Bahrain to find out about the regulatory position and an insurance advisory firm in Bahrain which confirmed they wouldn't advise on a transfer between UK SIPPs. And I can see from the emails to his adviser and Alltrust that Mr W was frustrated with the process and felt Alltrust wasn't listening to his arguments. I acknowledge Mr W spent time and effort on this and I understand that the issue not being resolved and Alltrust's communications would have caused ongoing frustration and upset. However, overall, I consider the level of award is reasonable in these circumstances, particularly given that any understandable distress which might relate to his funds not being invested could have been mitigated (as discussed earlier).

It was Mr W's personal choice to appoint a solicitor at a time when he had already referred his complaint to our Service. As I said before I don't think this was reasonably necessary. I acknowledge that Mr W considers this was a prudent action to take. He says it reduced our Service's investigative costs and Alltrust only took any meaningful action once they were aware he was taking legal advice and had referred his complaint to our Service. So the costs were justified and should be refunded. Of course Mr W was entitled to choose to involve a solicitor. However, I can't agree this was reasonably required to advance his complaint. Mr W decided to bring the complaint to us and no solicitor was required for this. His solicitor's letter didn't affect our complaint process or decision process in any way and Alltrust responded to our enquiries as expected. For this reason I don't consider it appropriate to award legal costs here.

Alltrust acting in bad faith

Mr W feels strongly Alltrust acted in bad faith here and intentionally held back the transfer out of commercial interest and to keep him as a customer. Alltrust's position is that they were planning to protect Mr W.

Whilst I can see Mr W's arguments, there isn't enough evidence here to say Alltrust acted in bad faith. Alltrust isn't the only firm who has wrongly applied the transfer regulations and applied red flags in relation to transfers which involve customers residing abroad and not being advised by someone in their country of residence. So I think it's more likely than not this was a case of genuine misinterpretation of the regulations and poor handling of the process.

I acknowledged previously that I can see why Mr W would get the impression Alltrust was acting in their own interest from the way they handled their communications with him and his adviser and that they wouldn't allow the transfer due to concerns about the adviser but were willing to invest in line with the recommended investment strategy. I've already commented on the fact that Alltrust didn't handle this transfer appropriately and that their communications were unhelpful here.

The motivations behind Alltrust's actions don't affect the outcome of this complaint in any event. They made mistakes and I considered the impact of their actions.

I remain satisfied that my decision is fair and reasonable in the circumstances of this complaint.

My final decision

I uphold the complaint and require Alltrust Services Limited to pay Mr W compensation of £450 if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 26 March 2026.

Nina Walter
Ombudsman