

The complaint

Mr N complains about how SCOTTISH WIDOWS LIMITED trading as Halifax Financial Services (HFS) administered a withdrawal from his investment.

What happened

Mr N complained to HFS when he received a chargeable event certificate relating to a recent withdrawal from his investment. Mr N said he had spoken with HFS and also included a cover letter with the withdrawal form confirming his instructions so didn't understand why this had happened.

HFS didn't uphold the complaint saying the withdrawal had been processed according to the options on the form that Mr N had completed.

Remaining unhappy Mr N brought his complaint to this service where one of our Investigators looked into what happened. They thought the cover letter wasn't a clear enough instruction to override the signed withdrawal form. They also noted that the withdrawal guide recommends account holders seek financial advice prior to submitting any form, and that HFS had also said this to Mr N over the telephone when he was speaking with them.

Mr N disagreed saying HFS had a duty of care when dealing with him and questioned if they acted fairly without clarifying the information in the cover letter.

Because an agreement couldn't be reached the matter has come to me for a 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 N has provided a lot of information about the complaint and it's clear how strongly he feels about what happened. I want to assure Mr N that I've read and considered everything that has been provided even if I don't mention it all in detail. I've summarised some things which reflects the informal nature of our service.

What happened has caused Mr N to incur a tax payment which he was trying to avoid. So I can understand why he feels that HFS hasn't acted fairly. However looking at what happened I think HFS did act fairly. Of course HFS could've acted in the way Mr N thinks they should have done, but that doesn't mean they made any errors processing the withdrawal in the way that they did, and this is an important distinction.

The service offered to Mr N by HFS was on an execution only basis. This means that they do not give advice. What they do is provide information to enable a customer to make the choice that is right for them. Mr N spoke with HFS about what he wanted to do and the withdrawal guide and form were provided to him.

Because of the importance of this type of transaction in relation to tax matters the guide

recommends seeking advice from HMRC or a financial advisor before sending in the form. HFS also said this to Mr N when he spoke with them on the telephone. So I think HFS made Mr N aware of the importance of seeking independent advice before completing and submitting the form.

I also note that the option Mr N selected on the form carried the warning *This may result in an immediate chargeable event gain, and you may have to pay income tax*. So Mr N was made aware of the importance of how the form was completed.

When dealing with our Investigator Mr N said the central issue was whether HFS acted fairly in proceeding with the withdrawal without clarifying the details in the cover letter. And I'm satisfied they did.

The form Mr N completed gives HFS a clear instruction of how to process the withdrawal; and that's what happened.

Mr N attached a cover letter which he says should've meant that HFS sought clarification before proceeding. However I don't agree this is the case. I don't think the contents of the letter overrides the instructions in the form, and I'm persuaded it was fair to rely on those valid instructions and process the transaction accordingly.

The withdrawal form made Mr N's intentions clear and HFS had previously let Mr N know, both verbally and in writing, that it was recommended to take independent advice about the transaction.

Having carefully considered everything that happened I'm satisfied HFS acted fairly and reasonably when dealing with Mr N so I won't be asking them to take any further action.

My final decision

For the reasons I've explained above, my decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 20 May 2026.

Warren Wilson
Ombudsman