

## **complaint**

Miss L's complaint about Yorkshire Building Society ('YBS') concerns a structured investment. She says it was mis-sold and is unhappy with the amount of compensation offered.

## **background**

In 2010, Miss L invested in a fixed-term structured investment that was due to mature in 2016. It guaranteed to return the money she invested, but the amount of growth depended on the performance of the FTSE 100 share index.

Following an investigation by the industry regulator, the Financial Conduct Authority (FCA), Miss L was offered the chance to cancel her investment early and receive compensation. The offer was to return her initial investment plus interest from the start. Or she could keep the investment until the end date.

Our adjudicator didn't recommend the complaint be upheld, believing YBS's offer was fair. Miss L disagrees, saying the compensation isn't adequate and isn't in line with what she was told she could expect.

## **my findings**

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 agree with the adjudicator's conclusions for much the same reasons. I don't uphold this complaint.

There's no dispute the investment was mis-sold. The aim of any award I make should be (as far as possible) to return Miss L to the position she'd be in if she hadn't made the investment in the first place. In this case, I think that's best achieved by refunding her money plus a return based on what she might have got if she'd invested somewhere else instead.

The YBS structured bond was a low-risk investment designed to return Miss L's money in full. I think compensation should be based on what she might have earned from similarly low-risk investments. And that the rate of interest YBS offered is fair. It's higher than the minimum return on the structured investment. It's also higher than the average return on high interest deposit accounts for most of the period she was invested. Without putting her money at risk, I think it's unlikely Miss L would have been able to get a much higher return anywhere else.

I note Miss L says she was told she could expect a higher return and I appreciate it must be disappointing not to have received that. But on their own and without any supporting evidence, I don't think her comments are enough to show she was given any firm guarantee of a particular level of growth.

## **my final decision**

My final decision is that I don't uphold this complaint. I'm satisfied YBS has already made a fair offer of compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 13 November 2015.

Jim Biles  
**ombudsman**