

## Ombudsman's Determination

Applicant	Ms L
Scheme	Fidelity SIPP ( <b>the SIPP</b> )
Respondents	Fidelity International ( <b>Fidelity</b> )

## Outcome

1. I do not uphold Ms L's complaint and no further action is required by Fidelity
2. My reasons for reaching this decision are explained in more detail below.

## Complaint summary

3. Ms L has complained that Fidelity failed to act on her instructions, as it transferred her Self Invested Personal Pension (**SIPP**) from Hargreaves Lansdown (**HL**) in cash, rather than re-registering the funds. Ms L has said this has caused her a financial loss.

## Background information, including submissions from the parties

4. On 13 May 2016, Ms L completed an online request to transfer the SIPP she held with HL, to Fidelity. Following receipt of the request, Ms L was issued a Transfer Authority Form to sign and return. This form is required to process any transfer that has been requested in a paperless format as certain providers (including HL) require a signature to proceed.
5. On 19 May 2016, Ms L was sent a letter confirming her transfer request had been received. In this letter, Fidelity confirmed it had contacted HL to request the "transfer payment".
6. On 21 May 2016, Ms L emailed Fidelity customer services to enquire as to why HL had liquidated all her investments, following her instructions to transfer the SIPP. Ms L stated that the SIPP was supposed to be transferred in-specie, and the funds re-registered.
7. On 24 May 2016, having received no response, Ms L telephoned Fidelity to further query this. Due to security measures, Fidelity declined to discuss specific account details during this call.

8. On 27 May 2016, Fidelity emailed Ms L in response to her query and explained that the 'online journey' used by Ms L to complete the transfer request gave the choice to transfer the SIPP as cash, or to re-register the units. Fidelity said Ms L had selected to transfer her SIPP in cash. Customers were not able to request to re-register units online, therefore if this option was selected, Ms L would have been directed to a paper application form.
9. Fidelity went on to explain that it had only received a Transfer Authority Form, not a re-registration form, which had been requested to provide HL with a signed document following an online transfer request. The first page of this form explains its function.
10. Fidelity has supplied the automated instructions it received when Ms L completed the online transfer request. These instructions indicate the option selected was to transfer the SIPP in cash and Fidelity has said it therefore instructed HL in accordance with this.
11. Following Ms L's indication in the telephone call that she may wish to cancel the transfer, Fidelity contacted HL and the transfer was put on hold. Ms L subsequently instructed HL to continue with the transfer.
12. On 1 June 2016, Ms L complained to The Pensions Ombudsman. Ms L has said that she asked Fidelity to transfer her SIPP in funds however, Fidelity went against her instructions and instructed HL to sell the funds and transfer the SIPP. Ms L stated that she specifically chose to re-register the funds with Fidelity, as they offered the same funds, and given the current volatility of the stock market, she would never have opted to transfer her SIPP in cash.

## **Adjudicator's Findings**

13. Ms L's complaint was considered by one of our Adjudicators who concluded that no further action was required by Fidelity. The Adjudicator's findings were communicated via email and are summarised briefly below:
  - Fidelity's online process made it sufficiently clear that Ms L was opting to transfer the SIPP as cash and if Ms L had selected to re-register the funds, she would have been unable to proceed and would have instead been directed to a paper application form. This process has not changed, and there are no reported errors with the online process for the date on which Ms L completed her online transfer request.
  - Fidelity can only act on the instructions it receives. Fidelity has evidenced that the automated instructions it received based on Ms L's transfer online selections specify the Fund Code as "CASH". Although this option may have been selected in error, Fidelity had acted in line with Ms L's instructions, so the complaint should not be upheld.

14. Ms L did not accept the Adjudicator's views and the complaint was passed to me to consider. Ms L provided her further comments which do not change the outcome. I agree with the Adjudicator's views, summarised above, and I will therefore only respond to the key points made by Ms L for completeness.

## Ombudsman's decision

15. Ms L does not agree that the supporting documents supplied by Fidelity evidence that she had selected for the SIPP to be transferred as cash. As part of its evidence, Fidelity supplied us with a copy of the automated instructions it received, following Ms L's completion of the online transfer request. These instructions show the "Fund Code" clearly labelled as "CASH", which would only have appeared if Ms L had selected this option. Furthermore, if Ms L had not selected to transfer her SIPP cash, she would have been unable to proceed with the transfer request online. Although, Ms L has said she did not select this option, I have to base my decision on the available evidence and I am satisfied that there is sufficient evidence to conclude that Ms L selected to transfer her SIPP in cash. Therefore, Fidelity has acted according to Ms L's instructions and there has been no maladministration.
16. Ms L suggests that Fidelity's documentation and transfer process is unclear, causing confusion for customers attempting to make a transfer. The screenshots supplied by Fidelity of the 'online journey' that a customer follows, when making an online transfer request, clearly state if a customer has selected to transfer their SIPP in cash; so, in my view, the initial transfer request process is clear.
17. The documents Ms L has referred to as misleading are the Transfer Authority Form and the Fidelity Investment Transfer Policy booklet (**the booklet**). The Transfer Authority Form, signed by Ms L following the request, does not indicate how the SIPP is to be transferred, so it cannot be said to be misleading in itself. The booklet is not specific to transferring pensions, rather, it is a general investment transfer guidance. The booklet contains a short paragraph about pensions, which does not give details on transfer options, instead directing members to the Fidelity website, or a phone number. However, there is a paragraph below this regarding re-registering and transferring funds. The brief explanation on re-registering funds states this cannot be completed online, and a paper application must be printed and signed. So I do not agree that the documentation supplied by Fidelity is misleading.
18. Ms L states that if Fidelity had a more robust process and formal documentation that confirmed how a SIPP is to be transferred then it would not have made this error. Whilst I appreciate the confirmation letter sent to Ms L following submission of the transfer request is somewhat generic, the request refers to a "transfer payment", indicating a cash transfer is to take place, and that Ms L will be advised of when the "payment" is received. On the basis of this evidence, I am satisfied that Ms L had adequate paperwork to suggest the transfer would be made in cash, and sufficient opportunity to contact Fidelity if an error had been made.

19. Therefore, I do not uphold Ms L's complaint.

**Anthony Arter**

Pensions Ombudsman  
17 November 2016