



9th September 2014

Dear Complainant,

Complaint against the Financial Conduct Authority
Reference Number: FCA00023

Thank you for your email of 27th August 2014.

As the rules of the scheme under which I consider complaints can be found on our website at www.fsc.gov.uk, I do not intend to set them out fully below.

Your complaint

From your letter I understand that you are unhappy with the actions of both the Financial Ombudsman Service (FOS) and those of the (Irish) Financial Services Ombudsman (FSO). You say that the actions of these two bodies, together with your stockbroker's admitted negligence, have led to you losing your life savings. You add that, although you have raised these concerns with the Financial Conduct Authority (FCA), you are disappointed that it has informed you that it cannot assist you, and you would like me to assist you.

My position

As part of my investigation into your complaint I have obtained and reviewed the FCA's complaint file. From this I understand that your concerns are an extension of the concerns you referred to this office under the reference of FSA01559. Although I do not intend to revisit those findings in this letter, it may be beneficial if summarise the events which led the situation you now find yourself in.

I understand that to enable you to increase your retirement income, you purchased a number of Unsubordinated Perpetual Debt Securities (UPDS) which you believed were high yielding bonds in Building Society BW. You add that you did not realise that Building Society BW had demutualised and its assets had been purchased by the Ireland based Bank B and, as a result, you were actually purchasing UPDS (which were effectively shares) in the UK subsidiary of Bank B (which traded under the name of Organisation BW). Bank B then decided to transfer the entirety of Organisation BW's assets to Bank B (and transfer the issuer of your UPDS from Organisation BW to Bank B). It was the manner in which this transfer took place (together with Bank B's subsequent conduct) which generated your original complaint.

However, when you contacted the FCA in December 2013 you raised concerns about the manner in which the FSO and the FOS had considered your complaint. You went on to say that as the decisions made by both the FSO and the FOS could have ramifications for a large number of UPDS holders you wanted the FCA to become involved, particularly due to your broker's admission of negligence.

When considering your complaint the FCA explained that it did not believe that your complaint fell within the scope of the scheme. The FCA went on to say that it holds this view as your concerns did not appear to relate to its actions (as the FCA is not responsible for the decisions or actions of the FOS, the FSO and your broker).

Whilst I have sympathy for the position you find yourself in, I agree with the FCA that the Complaints Scheme is only designed to consider complaints about the actions or inactions of the UK regulators. It is not designed to consider complaints about the actions of dispute resolution bodies (either within the UK or elsewhere) or regulated firms. In arriving at this decision, I draw your attention to Paragraph 3.4(e) of the Complaints Scheme which states:

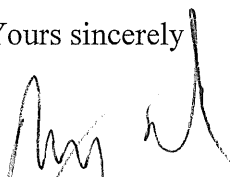
3.4 Exclusions to the Scheme

Excluded from the Scheme are complaints:

- e) complaints about the actions, or inactions, of the Financial Ombudsman Service, the Financial Services Compensation Scheme or the Money Advice Service

I appreciate that you will be disappointed with my decision, but hope that you will understand why I am unable to be of further assistance to you. In closing I would add that, in its letters of 5th February and 29th May 2014, the FCA provided details of organisations and bodies which may be able to offer you some further assistance in your pursuit of this matter and I would urge you to seek their guidance as these bodies may be able to offer you some advice.

Yours sincerely



Antony Townsend
Complaints Commissioner