

AILO stung into action over QROPS mis-selling claims

15 February 2011 by Dan Judge

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An IFA who branded QROPS “a mis-selling scandal of huge proportions” and questioned whether offshore product providers were taking the issue seriously has been invited to give evidence before international insurers.

The adviser, Robert Parker, chief executive of Dubai-based Holborn Assets, wrote of his concerns in an [online article](#) for International Adviser last week.

In the piece he accused international insurers of looking after their own interests ahead of those of consumers – and in doing so abandoning a duty to protect customers in the name of profits.

He described advisers selling QROPS as “untrained barrow boys and ice cream salesmen” who “don’t have a clue” what they are doing, and questioned whether the chairman of the body that represents offshore insurers, Alan Morgan-Moodie of AILO, had a true grasp of the seriousness of the situation.

Highlighting a comment Morgan-Moodie made last year, in which he said the probability of mis-selling was “near impossible”, Parker memorably asked “Dear Alan, what planet are you on?”, before making a strong case for his claims.

The article has clearly hit a nerve within AILO, which has responded with an invitation for Parker to appear before members in order to “begin a discussion”.

Morgan-Moodie wrote in a letter to Parker: “I can assure you that AILO members take any form of alleged mis-selling seriously and that QROPS is a regular agenda topic of our regulatory, marketing and sales committees.”

He added: “My comments last year were in the context that I had not been made aware of any member company receiving a complaint from a ‘pensioner’ or a trustee.”

In response, Parker may now attend AILO’s next meeting in London in June.

The IFA welcomed Morgan-Moodie’s “fast reply” and described it as a sign AILO was now taking the matter seriously.

It is now hoped by those concerned about QROPS mis-selling that AILO will be pressed to take action in some way. What form this could take and the trade body’s powers to influence providers – if any – remain to be seen.

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