

This week at the UK regulators

Thirty second guide: The week in overview

In addition to the well-publicised financial penalty imposed on the former Chief Investment Officer of a major bank last week, the FCA also secured compensation and confiscation orders against an individual convicted of offences in connection with fraudulent schemes. Away from enforcement action, it has issued a paper seeking views on its approach to regulating the payment services sector, and it and the Treasury Committee have published redacted versions of internal audit reports evaluating various aspects of its approach to external communications, crisis management and the handling of market sensitive information. In policy developments, the FCA and PRA have published a joint consultation paper about how complaints made against them should be handled, and the FCA has issued final rules on fair, reasonable and non-discriminatory access to regulated benchmarks.

FCA imposes financial penalty on former Chief Investment Officer

The FCA has (on 9 February) imposed a financial penalty of £792,900 on Mr Achilles Macris for failing to be open and co-operative with the FSA. Mr Macris was the main contact with the FSA and as an approved person he was required to deal with the Authority in an open and cooperative way. The FCA found that between 28 March 2012 and 29 April 2012 Mr Macris did not inform the FSA about concerns with the synthetic credit portfolio and as a result he failed to meet the standards expected of an approved person under Statement of Principle 4 of the Statements of Principle for Approved Persons ("APER").

<http://www.fca.org.uk/static/fca/documents/final-notice/achilles-macris.pdf>

FCA secures compensation and confiscation orders following fraud convictions

The FCA has (on 12 February) obtained compensation and confiscation orders requiring over £2.65 million to be returned to investors in fraudulent schemes and which will require Mr Alex Hope, one of the individuals convicted in connection with his involvement with the schemes, to pay £166,696. The other individual convicted of offences in connection with the schemes, Mr Raj von Badlo, was required to pay £99,819 under a confiscation order made in December 2015.

<http://www.fca.org.uk/news/2-9-million-to-be-returned-to-investors-following-fca-prosecution>

Upper Tribunal rejects fraud allegations made against former bank employee

In a judgment published on 8 February, the Upper Tribunal has remitted a decision by the FCA to refuse an application for permission made by Abi Fol Consulting Limited back to the regulator for it to reconsider and determine in accordance with findings that the director of the applicant firm, Mr Abiodun Ladele does not lack fitness and propriety. The tribunal rejected suggestions based in part upon an investigation by his former employer that he had been involved in fraudulent activity and that he therefore lacked fitness and propriety.

<http://www.tribunals.gov.uk/financeandtax/Documents/decisions/Abi-Fol-Consulting-Ltd-v-FCA.pdf>

FCA and Treasury Committee publish internal audit reports

The FCA has (on 8 February) published three separate internal audit reports setting out findings and commenting upon its approach to the identification, handling and management of market sensitive information, its incident response and crisis management capability and the design and effectiveness of its external communications strategy. The documents were produced in November 2015 and submitted to the Treasury Committee in December 2015. They have now been published by the FCA and the Treasury Committee in redacted form. The release by the latter also sets out the comments of the Chairman of the Treasury Committee, Andrew Tyrie MP on the reports' findings.

<https://www.fca.org.uk/static/reports/i-a-report-communication-strategy-submitted-treas-comm-01-12->

[2015.pdf](#)

<https://www.fca.org.uk/static/documents/reports/i-a-report-incident-response-submitted-treas-comm-01-12-2015.pdf>

<https://www.fca.org.uk/static/documents/reports/i-a-report-market-sensitive-information-submitted-treas-comm-01-12-2015.pdf>

<http://www.parliament.uk/business/committees/committees-a-z/commons-select/treasury-committee/news-parliament-2015/fca-internal-audit-reports-15-16/>

FCA asks for views on approach to payment services

The FCA has (on 10 February) published a call for input on its current approach to the payment services regime. It (and the FSA) have regulated the sector since the introduction of the Payment Services Regulations, which implemented the EU Payment Services Directive, in 2009. As the Second EU Payment Services Directive, which was published in

December 2015 and which will eventually (by January 2018) necessitate updated legislation in the UK, progresses, the FCA is asking for views as to how its Approach Document and the relevant section of guidance in its Handbook (chapter 15 of the Perimeter Guidance ("PERG")) should be updated.

The FCA has asked for responses to be submitted by 23 March 2016.

<https://www.fca.org.uk/static/fca/documents/call-for-input-payment-services-regime.pdf>

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015L2366&from=EN>

<http://www.fca.org.uk/static/documents/payment-services-approach.pdf>

<https://www.handbook.fca.org.uk/handbook/PERG/15/1.htm>

FCA warnings

| Name of firm | Date of warning | Details |
|------------------------------------|------------------|---|
| Zino Management & Services Limited | 12 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/zino-management-and-services-limited |
| Credit Investigation Department | 9 February 2016 | Not authorised https://www.fca.org.uk/news/warnings/credit-investigation-department-cc |
| UK Trust Loans | 9 February 2016 | Clone firm http://www.fca.org.uk/news/warnings/uk-trust-loans-clone-cc |
| Venor Associates Limited | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/venor-associates-limited |
| Cannon Solutions Limited | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/cannon-solutions-limited |

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| Marshall and James Limited | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/marshall-and-james-limited |
| Gate Resources Ltd | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/gate-resources-ltd |
| Sines Media Limited | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/sines-media-limited |
| Bad Credit History | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/bad-credit-history-cc |
| Snapper Head Marketing Limited | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/snapper-head-marketing-limited |
| IIS Genesis Ltd | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/iis-genesis-ltd |
| Goodman and Banks Ltd | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/goodman-and-banks-ltd |
| Val Consultants Ltd | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/val-consultants-ltd |
| First Marketing Limited | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/first-marketing-limited |
| Cercle6 Ltd | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/cercle6-ltd |
| Miller and Osbourne Limited | 8 February 2016 | Not authorised http://www.fca.org.uk/news/warnings/miller-and-osbourne-limited |
| UK Trust Loans | 9 February 2016 | Clone firm |

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| | | http://www.fca.org.uk/news/warnings/uk-trust-loans-clone-cc |
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Policy developments

| FCA | | PRA | | |
|------------------------------|--|-------------------------------|--------------|---|
| Proposed developments | | | | |
| | | Deadline for responses | | |
| Consultation papers | <p>The FCA and PRA have (on 11 February) published a consultation paper (FCA CP 16/6) on complaints against the regulators.</p> <p>https://www.fca.org.uk/static/documents/consultation-papers/cp16-06.pdf</p> | 9 March 2016 | 9 March 2016 | <p>The FCA and PRA have (on 11 February) published a consultation paper (PRA CP 5/16) on complaints against the regulators.</p> |

| Finalised Policy and guidance | | | | |
|--------------------------------------|--|--------------------------------------|--|--|
| | | Implementation/effective date | | |
| Policy statements | <p>The FCA has (on 8 February) published a policy statement (PS 16/4) setting out feedback received in response to consultation paper 15/18 (released in June 2015) and final rules on fair, reasonable and non-discriminatory access to regulated benchmarks. See This week at the UK regulators, 9 June 2015 for details of the original consultation paper, which explained the FCA's approach to this issue and to carrying into</p> | 1 April 2016 | | |

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| | <p>effect some of the key recommendations of the Fair and Effective Markets Review. The rules, which are closely aligned to article 37 of the Markets in Financial Instruments Regulation, are similar in most respects to those originally proposed in that paper.</p> <p>https://www.fca.org.uk/static/fca/documents/policy-statements/ps16-04.pdf</p> <p>https://onlineservices.cliffordchance.com/online/freeDownload.action?key=OBWlbFgNhLNomwBI%2B33QzdFhRQAhp8D%2BxriGRel2crGqLnALtlyZewHKyLRY30G2kOTQBZOd3TLp%0D%0A5mt12P8Wnx03DzsaBGwsIB3EVF8XihbSpJa3xHNE7tFeHpEbaelf&attachmentsize=135792</p> | | | |
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