

This week at the UK regulators

Thirty second guide: The week in overview

The main enforcement development last week was the imposition of a public censure and prohibition order on Mr Andrew Tinney, the former Global Chief Operating Officer of a division of a major bank, for integrity and fitness and propriety failings. Mr Tinney has referred the Decision Notice to the Upper Tribunal.

In other developments, HM Treasury published a consultation paper on the transposition of the Fourth Money Laundering Directive and the Fund Transfer Regulation, inviting views and evidence to inform the transposition. Meanwhile, the FCA released a consultation paper reviewing its appropriate qualification exam standards and the Treasury Committee published its report on the appointment of Professor Sir Charles Bean to the Budget Responsibility Committee.

Further afield, Dubai introduced a new super regulator, the Dubai Economic Security Centre, a body aimed at protecting Dubai's economy against a broad range of criminal offences and misconduct.

FCA decides to impose public censure on individual for integrity failings

In a Decision Notice dated 8 July 2016 but released on 14 September 2016, the FCA has indicated that it has decided to impose a public censure on Mr Andrew Tinney, the former Global Chief Operating Officer of a division of a major bank and holder of the CF 29 (Significant Management) Controlled Function. The FCA found that he breached Principle 1 (integrity) of the Statements of Principle for Approved Persons by suppressing the distribution of a report prepared by consultants in relation to issues identified by the US Securities and Exchange Commission between September and December 2012. The FCA has also decided to impose a prohibition order on him on the basis that it does not consider that he meets relevant fitness and propriety requirements.

Mr Tinney has referred the Decision Notice to the Upper Tribunal, which will hear the matter afresh. It will decide which penalty to impose and whether to impose the prohibition order in due course.

<https://www.fca.org.uk/sites/default/files/andrew-tinney.pdf>

Other enforcement notices

On 14 September 2016, the FCA issued a final notice refusing the application of Money Matcher Limited to carry on various regulated activities because the regulator could not be sure that the company would satisfy, or continue to satisfy, the Threshold Conditions.

<https://www.fca.org.uk/sites/default/files/money-matcher-limited.pdf>

HM Treasury consults on new money laundering legislation

On 15 September 2016, HM Treasury published the Consultation on the transposition of the Fourth Money Laundering Directive. The directive seeks to give effect to updated international anti-money laundering and counter-financing of terrorism standards set by the Financial Action Task Force. It is accompanied by the Funds Transfer Regulation (FTR), which updates rules on information accompanying transfers of funds, and which will come into force from June 2017.

The purpose of the consultation is to seek views and evidence on the steps the government proposes to take, or should take, to meet the UK's obligation to transpose the directive and FTR into national law. It also invites views and evidence on the potential costs and benefits of the changes being considered. The consultation exercise closes on 10 November 2016.

<https://www.gov.uk/government/consultations/transposition-of-the-fourth-money-laundering-directive>

Treasury Committee publishes appointment of Professor Sir Charles Bean

On 13 September 2016, the Treasury Committee published the Seventh Report of Session 2016-2017 (HC 642) announcing the appointment of Professor Sir Charles Bean to the Budget Responsibility Committee of the Office for Budget Responsibility. The Committee was satisfied that Professor Sir Charles Bean has the professional competence and personal independence to be a member of the Budget Responsibility Committee.

<http://www.publications.parliament.uk/pa/cm201617/cmselect/cmtreasy/642/642.pdf>

FCA warnings

Name of firm	Date of warning	Details
Markets DL	16 September 2016	Clone firm https://www.fca.org.uk/news/warnings/markets-dl-clone
Global Escrow Exchange	16 September 2016	Not authorised https://www.fca.org.uk/news/warnings/global-escrow-exchange
Industrial and Commercial Bank of China (Europe) SA	16 September 2016	Clone firm https://www.fca.org.uk/news/warnings/industrial-and-commercial-bank-china-europe-sa-clone
Watkins Consultancy Ltd	13 September 2016	Not authorised https://www.fca.org.uk/news/warnings/watkins-consultancy-ltd
Sky Financial Services	13 September 2016	Clone firm https://www.fca.org.uk/news/warnings/sky-financial-services-clone-fca-authorized-firm
Diamond (Runwell) Limited	12 September 2016	Not authorised https://www.fca.org.uk/news/warnings/diamond-runwell-limited

Policy developments

FCA		PRA	
Proposed developments			
		Deadline for responses	
Consultation papers	<p>On 13 September 2016, the FCA published a consultation paper reviewing the FCA's appropriate qualification exam standards: (CP16/24).</p> <p>The main aims of the proposals are to:</p> <ul style="list-style-type: none"> • amend TC Appendix 4.1.1 of the TC sourcebook to clarify how to read and use the appropriate qualification tables; • update the current AES to ensure that the content continues to reflect the knowledge that individuals need to perform their roles; and • seek views on a standalone equity release qualification. <p>https://www.fca.org.uk/publications/consultation-papers/review-appropriate-qualification-exam-standards-cp16-24</p>	13 December 2016	

Further Afield

New "super regulator" launched in Dubai

Dubai recently introduced a new super regulator, the Dubai Economic Security Centre (DESC). The new regulator's main objective is to maintain the Emirate's position as a global financial and economic hub by protecting Dubai's economy from a broad range of crimes and misconduct, including fraud, money laundering, terrorist financing and

bribery. To achieve this objective, the DESC has at its disposal a broad range of powers which it may exercise in coordination with the existing authorities.

For further details, see our Clifford Chance briefing.

https://www.cliffordchance.com/briefings/2016/09/dubai_new_superregulator.html

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