

This week at the UK regulators

Thirty second guide: The week in overview

In a week without concluded enforcement or policy developments, the FCA has taken action against individuals associated with a firm suspected to be using the details of a legitimate firm to conduct unauthorised business, obtaining pre-trial injunctions and freezing orders. It has also published the findings of its thematic review of firms' mobile banking and payments arrangements, giving them a largely clean bill of health and identifying priorities for future compliance.

Further afield, the Hong Kong Securities and Futures Commission has taken action against a major institution and five of its former executive directors for alleged market misconduct.

FCA takes action against unauthorised clone firm

The FCA has (on 11 September) secured pre-trial injunctions and freezing orders against individuals purporting to be Joh. Berenberg, Gossler & Co. KG. It alleges that these individuals, who have no connection with the genuine firm of that name, have conducted regulated activities without authorisation by promoting and selling shares.

The action follows one of the many alerts issued by the FCA every week (in this case on 17 March 2014 – see This week at the UK regulators, 24 March 2014). The FCA's investigation continues.

<http://www.fca.org.uk/news/injunctions-freeze-order-protect-from-clone>

<https://onlineservices.cliffordchance.com/online/freeDownload.action?key=OBWibFgNhLNomwBI%2B33QzdFhRQAhp8D%2BxrlGRel2crGqLnALtlyZe4B%2F5TTRat%2FlhcH2n>

[GluNTp%0D%0A5mt12P8Wnx03DzsaBGwsIB3EVF8XihbSpJa3xHNE7tFeHpEbaelf&attachmentsize=113347](http://www.fca.org.uk/static/documents/thematic-reviews/tr14-15.pdf)

FCA reports on mobile banking

The FCA has (on 11 September) released a report setting out the findings of its thematic review into mobile banking and payments. The study looked at how effectively firms are helping consumers understand their rights and obligations and consumer education, keeping key decision makers up to speed with the pace of innovation, protecting customers' data, outsourcing and overseeing third parties and apprising themselves of the relevant regulatory framework. The FCA's verdict on firms' performance across these areas is broadly positive, with no findings of crystallised consumer detriment. It sets out details of good practice identified during the review and affirms the FCA's previously stated commitment to working with firms to ensure understanding of relevant regulation in this area.

<http://www.fca.org.uk/static/documents/thematic-reviews/tr14-15.pdf>

FCA warnings

Name of firm	Date of warning	Details
China Merchant Securities Limited	12 September 2014	Clone firm http://www.fca.org.uk/news/warnings/china-merchant-securities-limited-clone

The Right Loan 4 U	11 September 2014	Clone firm http://www.fca.org.uk/news/warnings/the-right-loan-4-u-clone-cc
Redbrook Motor Company	11 September 2014	Not authorised http://www.fca.org.uk/news/warnings/redbrook-motor-company-cc
Drummonds Initiatives	11 September 2014	Not authorised http://www.fca.org.uk/news/warnings/drummonds-initiatives
LEM Spreads / LE Management Ltd	11 September 2014	Not authorised http://www.fca.org.uk/news/warnings/lem-spreads
GBL Financial Services Ltd	11 September 2014	Clone firm http://www.fca.org.uk/news/warnings/gbl-financial-services-ltd-clone
Cash Direct UK	11 September 2014	Not authorised http://www.fca.org.uk/news/warnings/cash-direct-uk-cc
Smith and Stanley Corporate Consultants	11 September 2014	Not authorised http://www.fca.org.uk/news/warnings/smith-and-stanley-corporate-consultants
Brookmore Partners/ Brookemore Partners/ Brookmoore Partners/ Brookmore Associates	11 September 2014	Not authorised http://www.fca.org.uk/news/warnings/brookmore-partners
Jacob Johnson Consultancy	10 September 2014	Not authorised http://www.fca.org.uk/news/warnings/jacob-johnson-consultancy
Bauer and Associates / Bauer Consultants	10 September 2014	Not authorised http://www.fca.org.uk/news/warnings/bauer-and-associates-bauer-consultants
Carrington Group LLC	9 September 2014	Not authorised http://www.fca.org.uk/news/warnings/carrington-group-llc

Jacobs Buchanan Investment Advisors / Jacobs Buchanan Partnership	8 September 2014	Not authorised http://www.fca.org.uk/news/warnings/jacobs-buchanan-investment-advisors
PlusFN Ltd / +FN / Equity Sky Capital Marketing Limited	8 September 2014	Not authorised http://www.fca.org.uk/news/warnings/plusfn-ltd

Further Afield

Hong Kong regulator commences action for alleged disclosure failings

The Hong Kong Securities and Futures Commission ("SFC") has (on 11 September) announced that it has commenced proceedings against CITIC Limited and five of its former executive directors in respect of alleged market misconduct. Specifically, the SFC alleges disclosure of false or misleading information in relation to losses sustained in connection with investments in foreign exchange contracts

in 2008. The action, consisting of applications for restoration and compensation orders and the commencement of action in the Market Misconduct Tribunal, is the highest profile example yet of the use of these powers by the SFC.

<http://www.sfc.hk/edistributionWeb/gateway/EN/news-and-announcements/news/doc?refNo=14PR108>

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