

This week at the UK regulators

Thirty second guide: The week in overview

This week's enforcement activities by the FCA included issuing a statement of objections about possible anti-competitive behaviour by asset management firms in relation to share prices in advance of IPOs and commencing civil proceedings against unauthorised firms and individuals alleged to have made misleading statements about pension investments. The FCA also announced the conviction of two individuals who were accused (with two others who had pleaded guilty previously) of operating an investment scheme that defrauded investors by creating a misleading impression about the value and prospects of a health services company.

In other news, the FCA published its Final Summary of the independent review of RBS's treatment of SME customers.

FCA publishes Final Summary of RBS's treatment of SME customers

On 28 November 2017, the FCA published its Final Summary of the independent review of RBS's treatment of SME customers that were referred to its Global Restructuring Group. The Final Summary sets out the key and thematic findings of the independent review by a "skilled person", as well as customer outcomes, and reflects drafting changes to the FCA's Interim Summary recommended in October 2017 by specialist advisers appointed by the Treasury Select Committee.

<https://www.fca.org.uk/news/press-releases/fca-publishes-final-summary-rbs-treatment-sme-customers>

<https://www.fca.org.uk/publication/corporate/interim-summary-independent-review-rbs-grg.pdf>

FCA issues first statement of objections to four asset management firms

On 29 November 2017, the FCA issued a statement of objections setting out the basis for possible infringement of competition law by four asset management firms. The FCA has summarised its provisional findings that Newtown Investment Limited, Hargreave Hale Ltd, River & Mercentile Asset Management LLP and Artemis Investment Management LLP shared with each other the prices they intended to pay and/or accepted such information in relation to one or more of two IPOs and one placing shortly before the share prices were set. The statement of objections is not public and may not lead to an infringement decision.

<https://www.fca.org.uk/news/press-releases/fca-issues-first-statement-objections-four-asset-management-firms>

FCA issues a consumer warning about Larksway Investments Limited

On 29 November 2017, the FCA issued a warning to consumers that it had stopped Larksway Investments Limited from acting as an insurance intermediary, owing to concerns set out in a supervisory notice, including about Larksway's ability to meet its liabilities as they fall due and to operate its banking arrangements adequately.

<https://www.fca.org.uk/news/news-stories/consumer-warning-larksway-investments-limited>

<https://www.fca.org.uk/publication/supervisory-notices/first-supervisory-notice-larksway-investments-limited-2017.pdf>

FCA commences civil proceedings in relation to alleged misleading statements about pension investments

On 30 November 2017, the FCA commenced civil proceedings against Avacade Limited, Alexandra Associates (U.K.) Limited, Craig Lummis, Lee Lummis and Raymond Fox. The FCA alleges that Avacade and Alexandra Associates, which provided a pension report service, made misleading statements, carried out regulated activities in the UK without FCA authorisation or exemption and communicated financial promotions without the required authorisation or approval, contrary to the Financial Services and Markets Act 2000 and the Financial Services Act 2012. No trial date has been set.

<https://www.fca.org.uk/news/statements/fca-commences-civil-proceedings-relation-alleged-misleading-statements-pension-investments>

Four guilty in relation to £1.4 million investment scheme

On 30 November 2017, Samrat Bhandari and Dr Muhammed Aleem Mirza were convicted of operating an investment scheme that resulted in more than 300 investors losing a total of £1.4 million. Michael Moore and Paul Moore pleaded guilty in May 2017 to offences in relation to the same scheme. Each of the four individuals was found to have created a misleading impression about the value and prospects of Symbiosis Healthcare Plc, a company whose shares were mis-sold by brokers cold-calling investors during periods from February 2009 to early 2014.

<https://www.fca.org.uk/news/press-releases/four-guilty-relation-investment-scheme>

FCA warnings

Name of firm	Date of warning	Details
Taylor & Clark / Taylor and Clark / TC Wealth	28/11/17	Unauthorised firm https://www.fca.org.uk/news/warnings/taylor-clark-taylor-and-clark-tc-wealth
ADN UK Finance/ ADN UK/ ADN/ ADN UK LOANS	29/11/17	Clone firm https://www.fca.org.uk/news/warnings/adn-uk-finance-adn-uk-adn-adn-uk-loans-clone
Michael Ullrich Hartmann	29/11/17	Clone firm https://www.fca.org.uk/news/warnings/michael-ullrich-hartmann-clone-eea-authorised-firm
Affordable Loans	29/11/17	Clone firm https://www.fca.org.uk/news/warnings/affordable-loans-clone
Redthorne Realisations Limited t/a Redthorne Markets	1/12/17	Unauthorised firm https://www.fca.org.uk/news/warnings/redthorne-realisations-limited-t-redthorne-markets

STX Global Limited t/a STX Markets	1/12/17	Unauthorised firm https://www.fca.org.uk/news/warnings/stx-global-limited-t-stx-markets
Chesterfield International Partners	1/12/17	Unauthorised firm https://www.fca.org.uk/news/warnings/chesterfield-international-partners
Hume Capital Management	1/12/17	Unauthorised firm https://www.fca.org.uk/news/warnings/hume-capital-management
Pension Services	1/12/17	Unauthorised firm https://www.fca.org.uk/news/warnings/pension-services

Policy developments

FCA		PRA	
Proposed developments			
		Deadline for responses	
Consultation papers	<p>CP17/38: Regulatory fees and levies: policy proposals for 2018/19</p> <p>On 13 November 2017, the FCA published a consultation paper setting out its proposed policy changes on how FCA fees will be raised from 2018/19.</p> <p>https://www.fca.org.uk/publication/consultation/cp17-38.pdf</p>	15 January 2018	
	<p>CP17/39: Quarterly Consultation Paper No. 19</p> <p>On 1 December 2017, the FCA</p>	1 January 2018 for comments on	

	<p>published its quarterly consultation paper which includes proposals to make changes to:</p> <ul style="list-style-type: none"> • DEPP in its governance structure; • DISP relating to access to the Financial Ombudsman Service for PEPs, and referrals to TPO; • guidance notes on the completion of the Annual Financial Crime Report to reflect changes in the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017; and • certain regulatory reporting requirements. <p>https://www.fca.org.uk/publications/consultation-papers/cp17-39-quarterly-consultation-paper-no-19</p>	<p>chapters 2, 6 and 7.</p> <p>1 February 2018 for comments on chapters 3, 4, 5 and 8.</p>		
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Finalised Policy and guidance				
	<p>FCA Handbook Notice No.49</p> <p>On 9 November 2017, the FCA made changes to the Handbook through the MiFID 2 Guide Instrument 2017 (2017/63) and the Capital Requirements Directive IV (Amendment) Instrument 2017 (2017/64). Handbook Notice No. 49 describes the changes to the Handbook as well as summarising the feedback to consultation on both instruments.</p> <p>https://www.fca.org.uk/publication/handbook/handbook-notice-49.pdf</p>	<p>Capital Requirements Directive: 10 November 2017</p> <p>MiFID 2 Guide Instrument: 3 January 2018</p>		

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