

## THIS WEEK AT THE UK REGULATORS 10 DECEMBER 2018

### **FCA publishes findings on long-term mortgage arrears**

On 6 December 2018 the FCA published its findings on long-term mortgage arrears, which was one of the areas for study set out in its Business Plan 2017/18. The FCA found that, in the cases it reviewed, firms generally treated customers in long-term financial difficulty appropriately. However, there were some inconsistencies in firms' arrears management which could result in a poor customer experience.

<https://www.fca.org.uk/publications/thematic-reviews/tr18-5-management-long-term-mortgage-arrears-and-forgiveness>

### **FCA publishes AML Decision Notice**

On 4 December 2018 the FCA published a Decision Notice in respect of Mohammed Ataur Rahman Prodhan, the former CEO of Sonali Bank (UK) Limited. The FCA fined Mr Prodhan £76,400 for AML failings at the Bank. Mr Prodhan has referred the Decision Notice to the Upper Tribunal.

<https://www.fca.org.uk/publication/decision-notice/mohammad-ataur-rahman-prodhan-2018.pdf>

### **Enforcement notices**

The FCA has cancelled the permissions granted to the following firms:

- JP Greenslade (Jonathan Greenslade trading as) (4 December 2018)
- Simple Auto Limited (4 December 2018)
- John Gerard Barry (4 December 2018)
- 1Stdent Limited

<https://www.fca.org.uk/publication/final-notice/jp-greenslade-jonathan-greenslade-trading-as-2018.pdf>

<https://www.fca.org.uk/publication/final-notice/simple-auto-limited-2018.pdf>

<https://www.fca.org.uk/publication/final-notice/john-gerard-barry-2018.pdf>

<https://www.fca.org.uk/publication/final-notice/1stdent-limited-2018.pdf>

### **Thirty second guide: The week in overview**

The FCA has published two consultation papers proposing rules to address harm to retail consumers from the sale of certain complex derivative products.

It has also published its findings on long-term mortgage arrears.

The PRA published a policy statement containing final rules on aspects of regulatory reporting.

**FCA warnings**

Name of firm	Date of warning	Details
Active Cash UK	3 December 2018	Clone firm <a href="https://www.fca.org.uk/news/warnings/active-cash-uk-clone">https://www.fca.org.uk/news/warnings/active-cash-uk-clone</a>
TradeBNP	4 December 2018	Unauthorised firm <a href="https://www.fca.org.uk/news/warnings/tradebnp">https://www.fca.org.uk/news/warnings/tradebnp</a>
Easy FX Trade/Easy Trade Global	5 December 2018	Clone firm <a href="https://www.fca.org.uk/news/warnings/easy-fx-trade-easy-trade-global-clone-authorized-firm">https://www.fca.org.uk/news/warnings/easy-fx-trade-easy-trade-global-clone-authorized-firm</a>
FC COIN	5 December 2018	Clone firm <a href="https://www.fca.org.uk/news/warnings/fc-coin-clone-authorized-firm">https://www.fca.org.uk/news/warnings/fc-coin-clone-authorized-firm</a>
City Global Trading	5 December 2018	Unauthorised firm <a href="https://www.fca.org.uk/news/warnings/city-global-trading">https://www.fca.org.uk/news/warnings/city-global-trading</a>
Blooming Finance	5 December 2018	Unauthorised firm <a href="https://www.fca.org.uk/news/warnings/blooming-finance">https://www.fca.org.uk/news/warnings/blooming-finance</a>
Ranalter Thomas	6 December 2018	Clone firm <a href="https://www.fca.org.uk/news/warnings/ranalter-thomas-clone">https://www.fca.org.uk/news/warnings/ranalter-thomas-clone</a>
James Hambros	6 December 2018	Clone firm <a href="https://www.fca.org.uk/news/warnings/james-hambros-clone">https://www.fca.org.uk/news/warnings/james-hambros-clone</a>
Sullivan Seton Murphy Law Firm	6 December 2018	Unauthorised firm <a href="https://www.fca.org.uk/news/warnings/sullivan-seton-murphy-law-firm">https://www.fca.org.uk/news/warnings/sullivan-seton-murphy-law-firm</a>
Digital Gold Xchange Limited	6 December 2018	Unauthorised firm <a href="https://www.fca.org.uk/news/warnings/digital-gold-xchange-limited">https://www.fca.org.uk/news/warnings/digital-gold-xchange-limited</a>
Friedman Associates Ltd	6 December 2018	Unauthorised firm <a href="https://www.fca.org.uk/news/warnings/friedman-associates-ltd">https://www.fca.org.uk/news/warnings/friedman-associates-ltd</a>

**Policy developments**

FCA	PRA
Proposed developments	

	FCA	PRA
Consultation papers	<p>On 7 December 2018 the FCA published Consultation Paper CP18/37, titled "<i>Product intervention measures for retail binary options</i>". The CP proposes rules to ban the sale, marketing and distribution of binary options to retail consumers by firms acting in or from the UK.</p> <p>The FCA says that it has "significant concerns" about investor protection, "based on evidence of aggressive and/or misleading marketing of these products, their inherent complexity and lack of transparency and the level (and speed) of retail consumer losses experienced when trading binary options."</p> <p><b>Deadline for responses: 7 February 2019</b></p> <p><a href="https://www.fca.org.uk/publications/consultation-papers/cp18-37-product-intervention-measures-retail-binary-options">https://www.fca.org.uk/publications/consultation-papers/cp18-37-product-intervention-measures-retail-binary-options</a></p>	
	<p>On 7 December 2018 the FCA published Consultation Paper CP18/38, titled "<i>Restricting contract for difference products sold to retail clients and a discussion of other retail derivative products</i>". The CP proposes permanent rules to restrict how CFDs and CFD-like options are marketed, distributed and sold to retail consumers. The paper also discusses whether other complex derivative products may pose similar risks of harm when sold to retail consumers and could benefit from similar measures.</p> <p><b>Deadline for responses: 7 February 2019 for the proposed rules. 7 March 2019 for feedback on other retail derivative products.</b></p> <p><a href="https://www.fca.org.uk/publications/consultation-papers/cp18-38-restricting-contract-difference-products-sold-retail-clients-and-discussion-other-retail">https://www.fca.org.uk/publications/consultation-papers/cp18-38-restricting-contract-difference-products-sold-retail-clients-and-discussion-other-retail</a></p>	
	<p>On 7 December 2018 the FCA published CP18/39, which is its Quarterly Consultation No 23. The CP consults on candidates for FCA Code recognition, changes to Firm Details reporting requirements in the Supervision manual and changes to the Consumer Credit sourcebook – high net worth exemption.</p> <p><b>Deadline for responses: 6 February 2019</b></p> <p><a href="https://www.fca.org.uk/publication/consultation/cp18-39.pdf">https://www.fca.org.uk/publication/consultation/cp18-39.pdf</a></p>	

	FCA	PRA
	<b>Finalised policy and guidance</b>	
<b>Policy statements</b>		<p>On 5 December 2018 the PRA published Policy Statement PS30/18, which contains final policy following Consultation Paper 16/18. This CP was titled "<i>Regulatory reporting: occasional consultation paper</i>". The PS contains final rules, an updated Supervisory Statement SS34/15 and an updated Supervisory Statement SS32/15.</p> <p><b>Implementation date: 1 January 2019</b></p> <p><a href="https://www.bankofengland.co.uk/prudential-regulation/publication/2018/regulatory-reporting-occasional-consultation-paper">https://www.bankofengland.co.uk/prudential-regulation/publication/2018/regulatory-reporting-occasional-consultation-paper</a></p>

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