
FINAL NOTICE

To: **Apex Money Limited**

Address: **56-57 Fleet Street
London
EC4Y 1JU**

FRN: **913353**

Dated: **16 August 2024**

ACTION

1. For the reasons set out in this Final Notice, the Authority hereby takes the following action.
2. The Authority issued the Firm with the Decision Notice, which notified it that for the reasons given below and pursuant to Regulation 10(1)(e) (as applied by regulation 15) of the PSRs, the Authority had decided to cancel the Firm's registration as an SPI.
3. The Firm has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was given to it.
4. Accordingly, the Authority has today cancelled the Firm's registration as an SPI.

SUMMARY OF REASONS

5. The Authority has concluded, on the basis of the facts and matters set out below, that the Firm is no longer meeting the conditions for registration as a SPI under the PSRs, and that its registration as a SPI should be cancelled. In particular, on 21 October 2020, HMRC rejected the Firm's application for registration under the MLRs and upheld its decision to reject the application on 4 March 2021.

DEFINITIONS

6. The definitions below are used in this Final Notice (and in the Annexes):

"the Act" means the Financial Services and Markets Act 2000;

"the Authority" means the Financial Conduct Authority;

"Decision Notice" means the Decision Notice issued by the Authority to the Firm on 27 June 2024;

"EG" means the Authority's Enforcement Guide;

"the Firm" means Apex Money Limited;

"the Handbook" means the Authority's Handbook of rules and guidance;

"HMRC" means Her Majesty's Revenue and Customs;

"the MLRs" means Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017;

"the PSRs" means the Payment Services Regulations 2017;

"SPI" means Small Payment Institution as defined in Regulation 2(1) of the PSRs;

"the Tribunal" means the Upper Tribunal (Tax and Chancery Chamber); and

"the Warning Notice" means the warning notice given to the Firm dated 27 June 2024.

FACTS AND MATTERS

7. The Firm was registered by the Authority as an SPI to provide the payment services of money remittance on 5 April 2020.
8. On 21 October 2020, the Firm's application dated 30 March 2020 for HMRC registration under the MLRs was refused by HMRC.
9. On 11 January 2021, the Firm requested an independent review of the HMRC's decision.
10. In a letter dated 4 March 2021, HMRC outlined to the Firm that an independent review upheld its original decision to reject the Firm's application for registration under the MLRs.
11. To date, the Firm has not demonstrated to the Authority that it has obtained HMRC registration since its application to the HMRC was rejected on 21 October 2020. The Firm

has also failed to apply to cancel its registration with the Authority despite repeated requests by the Authority that it should do so.

FAILINGS

12. The statutory and regulatory provisions relevant to this Final Notice are set out in the Annex.
13. On the basis of the facts and matters described above, the Authority considers that:
 - (a) the Firm is no longer meeting the conditions for registration as an SPI as set out in Regulations 14(11) of the PSRs, as the Firm is not registered with HMRC under the MLRs; and
 - (b) despite repeated requests by the Authority that the Firm applies to cancel its registration, it has failed to do so.
14. Accordingly, the Authority has cancelled the Firm's registration as an SPI in accordance with Regulation 10(1)(e) of the PSRs (as applied by Regulation 15).

DECISION MAKER

15. The decision which gave rise to the obligation to give this Final Notice was made by an Authority staff member under the executive procedures.

IMPORTANT

16. This Final Notice is given to the Firm in accordance with section 390(1) of the Act (as applied by paragraph 10 of Schedule 6 of the PSRs).

Publicity

17. Sections 391(4), 391(6) and 391(7) of the Act (as applied by paragraph 10 of Schedule 6 to the PSRs) apply to the publication of information about the matter to which this Final Notice relates. Under those provisions, the Authority must publish such information about the matter to which this Final Notice relates as the Authority considers appropriate. The information may be published in such manner as the Authority considers appropriate. However, the Authority may not publish information if such information would, in the opinion of the Authority, be unfair to the Firm or prejudicial to the interests of consumers.
18. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contact

19. For more information concerning this matter generally, the Firm should contact M Alexander Bajko at the Authority (direct line: 020 7066 1838).

Jeremy Parkinson
Enforcement and Market Oversight Division

ANNEX A

RELEVANT STATUTORY PROVISIONS

1. The Authority's operational objectives established in section 1B of the Act include protecting and enhancing the integrity of the UK financial system and securing an appropriate degree of protection for consumers.
2. Regulation 14(11) of the PSRs requires an SPI to comply with a requirement of the MLRs to be included in a register maintained under the MLRs where such a requirement applies to the SPI. The register in which the Firm must be included under the MLRs is maintained by HMRC.
3. Regulation 15 of the PSRs provides:

"Regulations 7 to 12 apply to registration as a small payment institution as they apply to authorisation as a payment institution as if—

 - (a) references to authorisation were references to registration;
 - (b) ...
 - (c) ...
 - (d) in regulation 10(1) (cancellation of authorisation) for sub-paragraph (e) there were substituted—

"(e) the person does not meet, or is unlikely to meet, any of the conditions set out in regulation 14(4) to (11) (conditions for registration as small payment institution) or the financial limit referred to in regulation 8 or does not inform the FCA of a major change in circumstances which is relevant to its meeting those conditions or that requirement, as required by regulation 37 (duty to notify change in circumstance);"
 - (e) ..."
4. Regulation 10(1)(e) of the PSRs, as applied by Regulation 15 of the PSRs, gives the Authority power to cancel the registration of an SPI where the person does not meet, or is unlikely to meet, any of the conditions set out in regulation 14 (4) to (11) (conditions for registration as small payment institution) or, does not inform the Authority of a major change in circumstances which is relevant to its meeting those conditions or that requirement, as required by Regulation 37 (duty to notify change in circumstances).

RELEVANT HANDBOOK PROVISIONS

5. In exercising its power to cancel the registration of an SPI, the Authority must have regard to guidance published in the Authority's Handbook. The main considerations relevant to the proposed action specified above are set out below.
6. The Authority's policy in relation to exercising its enforcement powers is set out in EG, the relevant provisions of which are summarised below.
7. EG 19.20.2 provides that the Authority's approach to enforcing the PSRs will mirror its

general approach to enforcing the Act, as set out in EG 2.

8. EG 19.20.5 provides that, in relation to the PSRs, the Authority has decided to adopt procedures and policies, in relation to the use of its sanctioning and regulatory powers, akin to those it has under the Act. The statutory grounds in Section 55J of the Act for cancelling a firm's Part 4A permission include where the firm no longer satisfies the Threshold Conditions, the minimum standards a firm is required to meet to obtain and retain its Part 4A permission.