
FINAL NOTICE

To: Eastern Union Remittance and Exchange Ltd

FRN: 504578

**Address: Unit 3
Whitechapel Technology Centre
75 Whitechapel Road
London
E1 1DU**

Dated: 30 August 2017

ACTION

1. For the reasons set out in this Final Notice, the Authority hereby takes the following action against Eastern Union.
2. The Authority gave Eastern Union a Decision Notice on 24 July 2017 which notified Eastern Union that for the reasons given below and pursuant to Regulation 10(1)(e) of the PSR, the Authority had decided to cancel the authorisation granted to Eastern Union as an API under the PSR.
3. Eastern Union 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 Eastern Union's registration as an API.

DEFINITIONS

5. The definitions below are used in this Final Notice (and in the Annex):

“the Act” means the Financial Services and Markets Act 2000;

“API” means an authorised payment institution within the meaning of Regulation 2(1) of the PSR;

“the Authority” means the Financial Conduct Authority;

“the Decision Notice” means the Decision Notice issued to Eastern Union on 24 July 2017;

“Eastern Union” means Eastern Union Remittance & Exchange Ltd;

“EG” means the Authority’s Enforcement Guide;

“HMRC” means Her Majesty’s Revenue and Customs;

“MLR” means the Money Laundering Regulations 2007;

“the PSR” means the Payment Services Regulations 2009; and

“the Tribunal” means the Upper Tribunal (Tax and Chancery Chamber).

RELEVANT STATUTORY PROVISIONS

6. The statutory and regulatory provisions relevant to this Final Notice are set out in the Annex.

SUMMARY OF THE REASONS

7. The Authority has concluded, on the basis of the facts and matter described below, that Eastern Union is no longer meeting the conditions for authorisation as an API under the PSR, and that its authorisation as an API (in accordance with Regulation 10(1)(e) of the PSR) should be cancelled.

FACTS AND MATTERS

8. Eastern Union was authorised by the Authority on 11 March 2010 as an API to carry on the payment services activity of money remittance.
9. On 16 August 2016, HMRC removed Eastern Union from the register maintained by HMRC under the MLR. Therefore, Eastern Union no longer meets the conditions for authorisation set out in Regulation 6(7) of the PSR, Eastern Union has failed to apply to cancel its authorisation despite repeated requests by the Authority that it do so.
10. The Authority has therefore decided to cancel Eastern Union’s registration for the reasons described above.

DECISION MAKER

11. The decision which gave rise to the obligation to give this Final Notice was made by the Regulatory Decisions Committee.

IMPORTANT

12. This Final Notice is given to Eastern Union under Regulation 10(3)(a) of the PSR.

Publicity

13. The Authority must publish such information about 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 Eastern Union or prejudicial to the interests of consumers.
14. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contact

15. For more information concerning this matter generally, please contact Sheena Baldev at the Authority (direct line: 0207 066 6760).

John Kirby
Enforcement and Market Oversight Division

ANNEX

RELEVANT STATUTORY PROVISIONS

1. Regulation 6(7) of the PSR states:

“The applicant must comply with a requirement of the Money Laundering Regulations 2007 to be included in a register maintained under those Regulations where such a requirement applies to the applicant.”

2. Regulation 10(1)(e) of the PSR provides:

“The Authority may cancel a person’s authorisation and remove the person from the register where –

[...]

(e) the person no longer meets, or is unlikely to continue to meet, any of the conditions set out in regulation 6(4) to 6(8) [...]”

3. Regulation 10(2) of the PSR provides:

“Where the Authority proposes to cancel a person's authorisation, other than at the person's request, it must give the person a warning notice.”

RELEVANT HANDBOOK PROVISIONS

4. In exercising its power to cancel the authorisation of an API, the Authority must have regard to guidance published in the Authority’s Handbook and in regulatory guides, such as EG. The relevant main considerations in relation to the proposed action specified above are set out below.
5. The Authority’s policy in relation to exercising its enforcement powers is set out in EG, the relevant provisions of which are summarised below.
6. EG 19.20.2 provides that the Authority’s approach to enforcing the PSR will mirror its general approach to enforcing the Act, as set out in EG 2.
7. EG 19.20.5 provides that, in relation to the PSR, 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 55 of the Act for cancelling a firm’s permission include where the firm no longer satisfies the minimum conditions for authorisation (the Threshold Conditions).