



12 Endeavour Square
London
E20 1JN

Tel: +44 (0)20 7066 1000
Fax: +44 (0)20 7066 1099
www.fca.org.uk

FINAL NOTICE

To: **Fast Remit Limited**

Address: **78 Water Street
Radcliffe
Manchester
M26 4DF**

FRN: **573739**

Dated: **21 March 2024**

ACTION

1. For the reasons set out in this Final Notice, the Authority hereby takes the following action.
2. The Authority issued to FRL the Decision Notice, which notified it that for the reasons given below and pursuant to Regulation 10(1)(e) of the PSRs, the Authority had decided to cancel FRL's authorisation as an API.
3. FRL 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 FRL's authorisation as an API.

SUMMARY OF REASONS

5. On the basis of the facts and matters described below, the Authority considers that FRL is no longer meeting the conditions for authorisation as an API under the PSRs and it has breached Regulation 37 of the PSRs in that it has failed to notify the Authority of a significant change in circumstances relevant to its fulfilment of the conditions for authorisation set out in Regulation 6(8) of the PSRs. In particular, on 19 December 2020, HMRC cancelled FRL's registration and removed FRL from the register maintained under the MLRs, and FRL failed to notify the Authority of this change in its circumstances.

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;

"API" means an authorised payment institution within the meaning of Regulation 2(1) of the PSRs;

"the Authority" means the Financial Conduct Authority;

"Decision Notice" means the Decision Notice issued by the Authority to Fast Remit Ltd dated 10 November 2023;

"EG" means the Authority's Enforcement Guide;

"FRL" means Fast Remit 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;

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

"the Warning Notice" means the warning notice given to FRL dated 25 September 2023.

FACTS AND MATTERS

7. On 30 April 2018, FRL was authorised by the Authority as an API to provide the payment services of money remittance.
8. On 19 December 2020, HMRC cancelled FRL's registration and removed it from HMRC's register maintained under the MLR. FRL failed to notify the Authority that its registration with HMRC had been cancelled.
9. On 5 January 2021, the Authority contacted FRL in relation to HMRC's cancellation of FRL's registration under the MLR.

10. To date, FRL has not demonstrated to the Authority that it has obtained HMRC registration after it was cancelled on 19 December 2020. FRL has also failed to apply to cancel its authorisation despite repeated requests by the Authority that it should do so.

FAILINGS

11. The statutory and regulatory provisions relevant to this Final Notice are set out in the Annex.
12. On the basis of the facts and matters described above, the Authority considers that:
 - (a) FRL is no longer meeting the conditions for authorisation as an API set out in Regulations 6(8) of the PSRs, as FRL's registration with HMRC under the MLRs has been cancelled;
 - (b) FRL has breached Regulation 37(1)(a)(i) of the PSRs by failing to notify the Authority of a significant change in circumstances which is relevant to its fulfilment of the conditions for authorisation set out in Regulation 6(8) of the PSRs, by failing to notify the Authority that its registration with HMRC had been cancelled; and
 - (c) despite repeated requests by the Authority that FRL applies to cancel its authorisation, it has failed to do so.
13. Accordingly, the Authority has cancelled FRL's authorisation as an API.

REPRESENTATIONS

14. Annex B contains a brief summary of the key representations made by FRL and how they have been dealt with. In making the decision which gave rise to the obligation to give this Final Notice, the Authority has taken into account all the representations made by FRL, whether or not set out in Annex B.

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 FRL 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 FRL 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, FRL should contact Zishan Siddique at the Authority (direct line: 020 7066 3747).

Jeremy Parkinson

Enforcement and Market Oversight Division

ANNEX A

RELEVANT STATUTORY PROVISIONS

1. Regulation 6 of the PSRs requires an API to comply with a requirement of the MLR to be included in a register maintained under the MLR where such a requirement applies to the firm (Regulation 6(8)). The register in which the API must be included under the Regulations is maintained by HMRC.
2. Under Regulation 10(1)(e) of the PSRs, the Authority may cancel the authorisation of an API where the person no longer meets, or is unlikely to continue to meet, any of the conditions set out in Regulation 6(4) to (9) (conditions for authorisation) or does not inform the Authority of a major change in circumstances which is relevant to its meeting those conditions, as required by Regulation 37 (duty to notify change in circumstances).
3. Regulation 37(1)(a)(i) of the PSRs requires an API to provide the FCA, without undue delay, with details of a significant change in circumstances, including, amongst other things, a significant change which is relevant to its fulfilment of any of the conditions for authorisation set out in Regulations 6(4) to (9).

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. 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 PSRs 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 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.

ANNEX B**REPRESENTATIONS**

1. A summary of the key representations made by FRL, and the Authority's conclusions in respect of them (in bold type), are set out below.

HMRC registration maintained under the MLR

2. FRL notified the Authority that it had not done any operations since 2019, had hired an experienced money laundering reporting officer, and that it had submitted a further HMRC registration application in July 2023. FRL was still waiting for HMRC to process the application.
3. The representations made by FRL do not affect the Authority's conclusion that FRL is no longer meeting the condition for authorisation as an API set out in Regulation 6(8) of the PSRs for the reasons set out in paragraph 5 of this Final Notice.
4. HMRC cancelled FRL's registration under the MLRs as a money service business with effect from 19 December 2020 on the grounds that, amongst other things, a) HMRC had determined that an individual connected to FRL was not a fit and proper person to carry on that business; and b) HMRC had determined that FRL was not a fit and proper person in that there was a risk that FRL may be used for money laundering and terrorist financing.
5. As far as the Authority is aware, FRL did not appeal HMRC's decision, and the position remains that FRL has not been registered under the MLRs for nearly 3 years.
6. At the time FRL made representations in were made, the individual connected to FRL was the sole director and sole shareholder/person with significant control of FRL as per the Companies House register.
7. Furthermore, it is not clear if FRL will obtain registration under the MLR or that it will do so imminently.
8. Accordingly, the Authority is satisfied that that cancellation of FRL's authorisation as an API pursuant to Regulation 10(1)(e) of the PSRs is appropriate.

Failure to notify the Authority of a significant change in circumstances

9. FRL failed to make any representations regarding its breach of Regulation 37(1)(a)(i) of the PSRs in respect of its failure to notify the Authority of a significant change in circumstances relevant to its fulfilment of the conditions of authorisation (that HMRC cancelled FRL's registration under the MLR as a money service business with effect from 19 December 2020).
10. The Authority is entitled to cancel FRL's authorisation as an API pursuant to Regulation 10(1)(e) of the PSRs because of FRL's failure to inform the Authority that there was, or was likely to be, a major change in circumstances which was relevant to meeting the condition for authorisation set out in Regulation 6(8) of the PSRs.
11. The Authority is satisfied that such cancellation of FRL's authorisation is appropriate.