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## **FINAL NOTICE**

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**To: Platinum Motor Company Limited**

**Of: 1-6 Pickford Street  
Birmingham  
West Midlands  
B5 5QH**

**FRN: 844680**

**Dated: 15 May 2023**

### **ACTION**

1. For the reasons set out in this Final Notice and pursuant to section 55J of the Act the Authority has decided to cancel Platinum Motor Company Limited's ("PCML"), Part 4A permission.
2. The Authority issued to PCML the Decision Notice which notified it of the Authority's decision to cancel PCML's Part 4A permission.
3. PCML has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was issued to it.
4. Accordingly, the Authority has today cancelled PCML's Part 4A permission.

### **RELEVANT STATUTORY PROVISIONS**

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

## **DEFINITIONS**

6. The definitions below are used in this Final Notice:

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

“the appropriate resources Threshold Condition” means the Threshold Condition set out in paragraph 2D of Schedule 6 of the Act;

“the Authority” means the Financial Conduct Authority;

“COND” means the Threshold Conditions part of the Handbook;

“the Decision Notice” means the Decision Notice issued to PCML dated 28 March 2023;

“DEPP” means the Authority’s Decision Procedure and Penalties manual;

“EG” means the Enforcement Guide;

“Form A” means the application for approval to perform senior management functions;

“the Handbook” means the Authority’s Handbook of rules and guidance;

“the Principle” means one of the Authority’s Principles for Businesses;

“PCML” means Platinum Motor Company Limited;

“PCML’s Part 4A permission” means the permission granted by the Authority to PCML pursuant to Part 4A of the Act;

“the appropriate resources Threshold Condition” means the Threshold Condition set out in paragraph 2D of Schedule 6 to the Act;

“the suitability Threshold Condition” means the Threshold Condition set out in paragraph 2E of Schedule 6 to the Act;

“the Threshold Conditions” means the Threshold Conditions set out in Schedule 6 to the Act;

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

“the Warning Notice” means the Warning Notice given to PCML dated 06 March 2023.

## **SUMMARY OF THE REASONS**

7. The Authority has concluded, on the basis of the facts and matters set out below, that PCML is failing to satisfy the Threshold Conditions. In particular, the Authority considers that PCML is failing to satisfy the appropriate

resources Threshold Condition, in that the Authority is not satisfied that PCML has appropriate non-financial resources in relation to the regulated activities that it carries on or seeks to carry on. Specifically, PCML does not have any individual approved to perform the senior management functions required in respect of the regulated activities which PCML is permitted to carry on.

8. Furthermore, the Authority is not satisfied that PCML is a fit and proper person having regard to all the circumstances and that PCML is therefore failing to satisfy the suitability Threshold Condition. Specifically, PCML has failed to be open and co-operative in all its dealings with the Authority, in that it has failed to respond fully and promptly to the Authority's repeated requests that PCML submit a completed Form A application. As a result, the Authority is not satisfied that PCML's business is being managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner.

## **FACTS AND MATTERS**

9. PCML was authorised by the Authority on 29 August 2019 to conduct credit broking activities.
10. On 3 September 2020, PCML's sole approved person ceased to hold any senior management function. As a result, PCML does not currently have any approved person to perform the senior management function required in relation to the regulated activities for which it has a Part 4A permission.
11. In addition, despite repeated requests by the Authority, PCML has failed to seek approval from the Authority to appoint an appropriate individual to perform the relevant senior management functions in relation to the regulated activities for which it has permission.
12. PCML has failed to co-operate with the Authority in that it has failed to respond adequately, or at all, to the Authority's repeated requests to submit a completed Form A.
13. To date, PCML has not responded to the Authority's requests, nor has it submitted an application to the Authority to appoint an appropriate individual to perform the relevant senior management functions.
14. Through the Warning Notice, the Authority gave notice that it proposed to take the action described above and PCML was given the opportunity to make representations to the Authority about that proposed action.
15. No representations have been received by the Authority from PCML within the time allowed by the Warning Notice, the default procedures in DEPP 2.3.2G permit the matters described in the Warning Notice, and repeated in this Final Notice, to be regarded as undisputed.
16. The Authority has therefore decided to cancel PCML's Part 4A permission for the reasons described above.

## **FAILINGS**

17. From the facts and matters described above, the Authority, having regard to its operational objectives, , considers that:
  - a) by failing to respond to the Authority's repeated requests that PCML submit a completed Form A, PCML has failed to be open and co-operative in all its dealings with the Authority and is therefore failing to comply with Principle 11. As a result, the Authority considers PCML is not a fit and proper person having regard to all the circumstances because it has failed to satisfy the Authority that its business is being, or will be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner. PCML is therefore failing to satisfy the suitability Threshold Condition; and
  - b) by failing to seek approval from the Authority to appoint an appropriate individual to perform the relevant senior management functions following its sole approved person ceasing to have any involvement in PCML, Platinum's non-financial resources are not sufficient to enable Platinum to comply with requirements imposed or likely to be imposed on it by the Authority. Therefore, Platinum's non-financial resources are not appropriate in relation to regulated activities that it carries on or seeks to carry on and it is failing to satisfy the appropriate resources Threshold Condition.

## **SANCTION**

18. Given the nature of the matters outlined above, the Authority considers PCML is failing to satisfy the Threshold Conditions, the minimum standards to be met for a firm to remain authorised. Accordingly, the Authority has decided to cancel PCML's Part 4A permission.

## **PROCEDURAL MATTERS**

19. This Final Notice is given to PCML in accordance with section 390(1) of the Act.

### **Decision maker**

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

### **Publicity**

21. 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 publication would, in the opinion of the Authority, be unfair to PCML or prejudicial to the interest of consumers or detrimental to the stability of the UK financial system.
22. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

**Authority Contact**

23. For more information concerning this matter generally, PCML should contact Hajra Aftab at the Authority (direct line: 020 7066 6021).

**Anna Couzens**  
**Enforcement and Market Oversight Division**

## **ANNEX**

### **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. The Authority is authorised by section 55J of the Act to cancel an authorised persons' Part 4A permission, where it appears to the Authority that such person is failing to satisfy the Threshold Conditions.
3. The suitability Threshold Condition set out in paragraph 2E of Schedule 6 of the Act provides, in relation to a person ("A") carrying on or seeking to carry on regulated activities which do not consist of or include a PRA-regulated activity, that:

*"A must be a fit and proper person having regard to all the circumstances, including –  
[...]*

*(f) whether A's business is being, or is to be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner."*

4. The appropriate resources Threshold Condition set out in paragraph 2D of Schedule 6 to the Act provides, in relation to a person ("A") carrying on or seeking to carry on regulated activities which do not consist of or include a PRA-regulated activity, that:

*"The resources of A must be appropriate in relation to the regulated activities that A carries on or seeks to carry on.*

*[...]*

*(4) The matters which are relevant in determining whether A has appropriate nonfinancial resources include-*

*[...]*

*(b) whether A's non-financial resources are sufficient to enable A to comply with –*

*(i) requirements imposed or likely to be imposed on A by [the Authority] in the course of the exercise of its functions [...]"*

### **RELEVANT HANDBOOK PROVISIONS**

5. In exercising its powers to cancel a firm's Part 4A permission, the Authority must have regard to guidance published in the Handbook and in regulatory guides, such as EG. The relevant main considerations in relation to the action specified above are set out below.

## **Relevant Principle**

6. Principle 11 requires a firm to deal with its regulators in an open and co-operative way, and to disclose to the Authority appropriately anything relating to the firm of which the Authority would reasonably expect notice.

## **Guidance concerning the Threshold Conditions**

7. Guidance on the relevant Threshold Condition is set out in COND.

### COND 2.4 – Appropriate resources: Paragraph 2D of Schedule 6 to the Act

8. COND 2.4.1AUK reproduces the relevant statutory provision that the resources of a person concerned must be appropriate in relation to the regulated activities that A carries on or seeks to carry on, and that the matters which are relevant in determining whether A has appropriate non-financial resources include whether A's non-financial resources are sufficient to enable A to comply with the requirements imposed or likely to be imposed on A by the Authority in the course of the exercise of its functions.

### COND 2.5 – Suitability: Paragraph 2E of Schedule 6 to the Act

9. COND 2.5.1AUK reproduces the relevant statutory provision that a person concerned must be a fit and proper person having regard to all the circumstances, including, amongst other things, the need to ensure that its business is being, or is to be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner and whether those who manage A's affairs have adequate skills and experience and act with probity.
10. COND 2.5.1BG confirms that paragraph 2E of Schedule 6 to the Act sets out the suitability Threshold Condition for firms carrying on, or seeking to carry on, regulated activities which do not consist of or include a PRA-regulated activity.
11. COND 2.5.2G states that the Authority will take into consideration anything that could influence a firm's continuing ability to satisfy the suitability Threshold Condition.
12. COND 2.5.6G gives examples of the kind of particular considerations to which the Authority may have regard when assessing whether a firm will satisfy, and continue to satisfy, the suitability Threshold Condition including, but not limited to, whether:
  - the firm has been open and co-operative in all its dealings with the Authority and is ready, willing and organised to comply with the requirements and standards under the regulatory system (COND 2.5.6G(1)); or
  - the firm has contravened, amongst other things, any provisions of the regulatory system, which includes the Principles and other rules (COND 2.5.6G(4)).

## **OTHER RELEVANT REGULATORY PROVISIONS**

13. The Authority's policy in relation to its exercising its powers is set out in EG, certain provisions of which are summarised below.

### **Cancelling a firm's Part 4A permissions on the Authority's own initiative**

14. EG 8.1.1(1) provides that the Authority may use its own initiative power to vary or cancel the Part 4A permission of an authorised person under section 55J of the Act, where the person is failing or is likely to fail to satisfy the Threshold Condition for which the Authority is responsible.
15. EG 8.5.1(1) states that the Authority will consider cancelling a firm's Part 4A permission using its own initiative powers contained in section 55J of the Act in circumstances where the Authority has very serious concerns about the firm, or the way its business is or has been conducted.
16. EG 8.5.2 provides examples of the types of circumstances in which the Authority may cancel a firm's Part 4A permission. These include failure to provide the Authority with valid contact details or failure to maintain the details provided, such that the Authority is unable to communicate with the firm (EG 8.5.2(6)), and repeated failures to comply with rules and requirements (EG 8.5.2(7)).