
FINAL NOTICE

To: **Hall and Hanley Limited (in liquidation) ("HHL")**

Reference
Number: **662983**

Address: **c/o CG & Co, Greg's Building, 1 Booth Street,
Manchester M2 4DU**

Date: **21 January 2020**

1. ACTION

- 1.1. For the reasons given in this Final Notice, the Authority hereby imposes on HHL a financial penalty in the sum of £91,000 pursuant to section 206 of the Act.

2. SUMMARY OF REASONS

- 2.1 HHL is a claims management company ("CMC") whose registered address was formerly 1st Floor, Building 4, Universal Square, Devonshire Street North, Manchester M12 6JH. With effect from 1 April 2019, responsibility for the regulation of CMCs was transferred from the Claims Management Regulation Unit ("CMRU") (a unit of the Ministry of Justice) to the Authority, whereupon new rules governing the conduct of CMCs came into force. Prior to 1 April 2019, a different regulatory regime governed the conduct of CMCs, namely the Conduct of Authorised Persons Rules 2014 ("CAPR"), which had been made by the CMRU under the Compensation (Claims Management Services) Regulations 2006 ("2006 Regulations"). The 2006 Regulations and the CAPR do not apply to conduct by CMCs from 1 April 2019 onwards but did apply to HHL's conduct before that date.
- 2.2 After considering representations made to it by HHL, the CMR on 5 March 2019 and acting under regulation 52 of the 2006 Regulations notified HHL that it was required to pay a financial penalty of £91,000 to the CMRU (the "Penalty Notice").
- 2.3 HHL appealed to the General Regulatory Chamber of the First-tier Tribunal ("FTT") against the Penalty Notice. Pursuant to articles 53 and 65 of The Financial Services and Markets Act 2000 (Claims Management Activity) Order 2018 ("2018 Order"), which contains transitional provisions for the transfer of regulatory responsibility from the CMRU to the Authority from 1 April 2019, the Penalty Notice is to be treated as a decision notice given by the Authority under section 208(1)(b) of the Act, and the Authority was substituted for the CMRU as the respondent to HHL's pending appeal.
- 2.4 The written decision of the FTT on HHL's appeal was released on 27 November 2019 and may be found on the following website:
<https://www.bailii.org/uk/cases/UKFTT/GRC/2019/CMS-2019-0001.html>
- 2.5 The FTT dismissed HHL's appeal against the CMR's decision as set out in the Penalty Notice. The FTT found that HHL had breached the CAPR by negligently failing to take all reasonable measures to avoid purchasing marketing leads generated in breach of the Privacy and Electronic Communications (EC Directive) Regulations 2003 and by negligently failing to prevent one of its employees from copying customers' signatures without their consent on documents submitted to financial institutions.

2.6 In the light of the above, the Authority has issued this Final Notice.

2.7 HHL is now in liquidation.

3. DEFINITIONS

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

“2006 Regulations” means the Compensation (Claims Management Services) Regulations 2006 made under the Compensation Act 2006;

“2018 Order” means The Financial Services and Markets Act 2000 (Claims Management Activity) Order 2018;

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

“the Authority” means the body corporate previously known as the Financial Services Authority and renamed on 1 April 2013 as The Financial Conduct Authority;

“CAPR” means the Conduct of Authorised Persons Rules 2014;

“CMC” means claims management company;

“CMRU” means the Claims Management Regulation Unit;

“FTT” means the First-tier Tribunal;

“Penalty Notice” means the CMRU’s notice dated 5 March 2019 under the 2006 Regulations notifying HHL that it was required to pay a £91,000 financial penalty;

“HHL” means Hall and Hanley Limited.

4. PROCEDURAL MATTERS

7.1 This Final Notice is given to HHL under and in accordance with section 390 of the Act.

Decision maker

- 7.2 The decision which gave rise to the obligation to give this Final Notice was made by the CMRU, but under article 53(2) of the 2018 Order the CMRU's Penalty Notice recording that decision is to be treated as a decision notice given by the Authority under section 208(1)(b) of the Act.

Manner and time for payment

- 7.3 The financial penalty must be paid in full by HHL to the Authority no later than 14 days from the date of this Final Notice.

If the financial penalty is not paid

- 7.4 If all or any of the financial penalty is outstanding after a period of 14 days from the date of this Final Notice, the Authority may recover the outstanding amount as a debt owed by HHL and due to the Authority.

Publicity

- 7.5 Sections 391(4), 391(6) and 391(7) of the Act 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 publication would, in the opinion of the Authority, be unfair to you or prejudicial to the interests of consumers or detrimental to the stability of the UK financial system.
- 7.6 The Authority intends to publish such information about the matter to which the Final Notice relates as it considers appropriate.

Authority contacts

- 7.7 For more information concerning this matter generally, contact Matthew Hendin (direct line: 020 7066 0236) of the Enforcement and Market Oversight Division of the Authority.

Rob Gruppetta

**Head of Claims Management Companies Department
Financial Conduct Authority**