
FINAL NOTICE

To: Mr Mark Hazelwood

Of: 11 Tower View
Whitwell
Hitchin
Hertfordshire
SG4 8AT

Date: 8 January 2010

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (“the FSA”) gives you final notice about an order prohibiting you, Mark Hazelwood, from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm:

1. THE ORDER

1.1. The FSA gave you a Decision Notice 8 January 2010 (the “Decision Notice”) which notified you that the FSA had decided to take the following action against you:

- (1) withdraw the approval given to you to perform controlled functions, pursuant to section 63 of the Financial Services and Markets Act 2000 (“FSMA”); and
- (2) make an order, pursuant to section 56 of FSMA, prohibiting you from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm (“the Prohibition Order”) because you are not a fit and proper person in that you lack honesty and integrity.

- 1.2. You agreed that you would not be referring the matter to the Financial Services and Markets Tribunal.
- 1.3. Accordingly, for the reasons set out below, the FSA hereby withdraws your approval and makes an order pursuant to section 56 of FSMA prohibiting you from performing any function in relation to any regulated activity carried out by an authorised person, exempt person or exempt professional firm.
- 1.4. The Prohibition Order will take effect from 8 January 2010.

2. REASONS FOR THE ORDER

- 2.1. On the basis of the facts and matters summarised below, and set out in more detail at section 4 of this Notice, the FSA has concluded that:

- (1) from 1 July 2007 to at least 31 August 2008 (the “Relevant Synergys Period”) while operating as an insurance broker at Synergys Ethical Limited (“Synergys”) and whilst you were also a director of Synergys, you were responsible for:
 - (a) issuing, or purporting to issue, insurance policies providing medical locum support to health practitioners without an authorised insurer underwriting those policies; and
 - (b) carrying out a regulated activity for which Synergys did not have permission, namely effecting and carrying out contracts of insurance, in breach of section 20 of FSMA.
- (2) from 9 September 2008 to 25 February 2009 (the “Relevant Aquote Period”) you operated as an unauthorised sole trader, trading as “Aquote”, purporting to be an insurance broker arranging insurance cover providing medical locum support for health practitioners.
- (3) during the Relevant Synergys Period, whilst you were a director of Synergys, you:

- (a) misled customers of Synergys into believing that you had arranged insurance cover on their behalf but did not, in fact, put any insurance cover in place for these customers;
 - (b) failed to pass any premiums received from customers on to insurers, retaining the money instead both to fund Synergys and for your own personal benefit; and
 - (c) deliberately failed to inform customers of the identity of the authorised insurer, if any, underwriting their policies.
- (4) you failed to respond to a number of requirements imposed on you and on Synergys by the FSA, including two compelled information and documentation requests and the requirements of a First Supervisory Notice issued to Synergys by the FSA on 1 October 2008.
- (5) you deliberately misled the FSA as to the status and the activities conducted by Synergys.
- (6) during the Relevant Aquote Period , whilst you were operating as Aquote, you:
 - (a) misled customers of Aquote into believing that you had arranged insurance cover on their behalf but did not, in fact, put any insurance cover in place for these customers;
 - (b) failed to pass any premiums received from customers on to insurers, retaining the money instead both to fund Aquote and for your own personal benefit; and
 - (c) deliberately failed to inform customers of the identity of the authorised insurer, if any, underwriting their policies.

2.2 The FSA also considers that, in carrying on regulated activities as Aquote whilst not being authorised by the FSA to do so, you knowingly breached section 19 of the FSMA.

3. RELEVANT STATUTORY PROVISIONS, REGULATORY REQUIREMENTS AND GUIDANCE

Statutory provisions

- 3.1. The FSA's statutory objectives, set out in section 2(2) of FSMA, include market confidence; the protection of consumers and the reduction of financial crime.
- 3.2. Section 19(1) of FSMA provides that no person may carry on a regulated activity in the United Kingdom, or purport to do so unless he is (a) an authorised person; or (b) an exempt person. Section 19(2) of FSMA provides that this prohibition is referred to as the general prohibition.
- 3.3. Section 20(1) of FSMA provides that if an authorised person carries on a regulated activity in the United Kingdom, or purports to do so, otherwise than in accordance with permission given to him by the FSA, he is to be taken to have contravened a requirement imposed on him by the FSA under FSMA.

Withdrawal of Approval

- 3.4. The FSA may also withdraw the approval given to an individual under section 59 of FSMA by virtue of section 63 of FSMA if the FSA considers that the individual is not a fit and proper person to perform the function to which the approval relates. When considering whether to withdraw its approval, the FSA may take into account any matter which it could take into account if it were considering an application made under section 60 of FSMA in respect of the performance of the function to which the approval relates.

Prohibition

- 3.5. The FSA has the power, by virtue of section 56 of FSMA, to make an order prohibiting you from performing a specified function, any function falling within a specified description, or any function, if it appears to the FSA that you are not a fit and proper person to perform functions in relation to a regulated activity carried on by an authorised person. Such an order may relate to a specified regulated activity, any regulated activity falling within a specified description or all regulated activities.

Regulatory Requirements and Guidance

- 3.6. In deciding on the action proposed, the FSA has had regard to relevant guidance published by the FSA and set out in the Regulatory Guides, in particular in the Enforcement Guide (“EG”) and The Fit and Proper Test for Approved Persons (“FIT”). The relevant parts of this guidance are set out in Annex A.

4. FACTS AND MATTERS RELIED ON

Background

- 4.1. Synergys was authorised by the FSA on 14 January 2005 to carry on insurance mediation business. You hold the CF1 (Director) controlled function and you are the sole person responsible for insurance mediation. Synergys’ primary client base was General Medical Practices, arranging locum insurance to cover the cost of temporarily replacing a doctor who was unable to work due to illness for example. Synergys’ business was computer based and customers would apply for or renew their insurance through Synergys’ website. Synergys’ customers were located across the United Kingdom.
- 4.2. Synergys was referred to the FSA’s Enforcement Division (“Enforcement”) on 10 September 2008 by the FSA’s Small Firms and Contact Division with regards to a separate, but related, matter. Enforcement subsequently became aware of a complaint which had been made to the FSA by a customer of Synergys who had paid premiums to Synergys for locum insurance and subsequently made a claim on that policy, but had received no payment from Synergys until a determination was made in the customer’s favour by the Court.
- 4.3. On 1 October 2008, the FSA removed all regulated activities from Synergys’ permission, pursuant to section 45 of FSMA, and imposed the requirement that Synergys notify all clients for its regulated business that it was no longer permitted by the FSA to carry on any regulated activities. The FSA also requested that Synergys provide the FSA with a copy of the written notification it had sent to clients, together with a list of all its clients to whom the notice was sent.

4.4. The reasons for taking that action were that the FSA had concluded that Synergys was failing to satisfy the threshold conditions set out in Part 1 of Schedule 6 to FSMA (the "Threshold Conditions") in that:

- (1) in the opinion of the FSA, Synergys' resources were not adequate in relation to the regulated activities it had permission to carry on. Specifically, Synergys had failed to maintain professional indemnity insurance since 17 November 2007 and it was therefore failing to satisfy Threshold Condition 4 (Adequate Resources); and
- (2) Synergys had failed to pay due regard to the interests of its customers and treat them fairly. Specifically, Synergys had failed to put in place a insurance cover for medical locum support after being paid insurance premiums for that purpose by a client, it was therefore failing to satisfy Threshold Condition 5 (Suitability).

Furthermore, the FSA considered that the action was necessary in order to protect the interests of consumers and reduce financial crime. A copy of the First Supervisory Notice which gave effect to that action is published on the FSA's website.

4.5. On 29 October 2008 the High Court of Justice ordered for the winding up of Synergys. The company is now in liquidation. Mr Hazelwood failed to notify the FSA of the compulsory winding up order.

The FSA Investigation

Synergys and Aquote

4.6. On 10 November 2008, the FSA issued a consumer alert, warning consumers that Synergys was no longer permitted to conduct any regulated activities and advising Synergys' customers to contact the insurance company with whom they believed their insurance policy was held, as the FSA believed Synergys may not have always passed on insurance premiums to the relevant insurance provider.

4.7. On 24 November 2008, FSA investigators visited you at your residential address. Investigators were subsequently told that you were now trading from a new business

address. Investigators subsequently served on you an information and document requirement compelling you to provide the FSA with a number of documents relating to specific complaints the FSA had received regarding Synergys (“the First Compelled Document Request”). At that time you informed the FSA that Synergys had gone into liquidation and that you were operating an IT web design business from the new business premises but agreed to provide the FSA with the documents requested in the First Compelled Document Request.

- 4.8. You failed to comply with the First Compelled Document Request.
- 4.9. On 12 December 2008, the FSA and Hertfordshire Police executed search warrants at your residential and new business address and seized a number of documents. On the same day, FSA investigators served on you a document compelling you to provide the FSA with further number of documents relating to specific complaints the FSA had received regarding Synergys (the “Second Compelled Document Request”). You also failed to comply with the Second Compelled Document Request.
- 4.10. Following an analysis of the documents seized during the search warrant, it appeared to the FSA that you were operating an unauthorised business trading under the name ‘Aquote’, and that Aquote had been inviting customers of Synergys to renew their insurance through Aquote. The business model of Aquote appeared to be very similar, if not identical, to that of Synergys.
- 4.11. On 12 January 2009, the FSA issued a further consumer alert with regards to Aquote. That alert warned consumers that:
 - (1) Aquote (which is a trading name used by you, acting as a sole trader) was linked to Synergys in that:
 - (a) whilst you were a director of Synergys, you established and managed Aquote; and
 - (b) you informed customers that Aquote had bought Synergys in order to offer Synergys’ customers’ the opportunity to renew their policies under the trading name Aquote.

- (2) Aquote was not authorised to conduct regulated activities; and
 - (3) the FSA suspected that Aquote had failed to put in place insurance despite receiving premiums from customers for that purpose.
- 4.12. The FSA subsequently requested information from a number of insurance providers to ascertain which, if any, insurance providers Synergys and Aquote had placed business with. The FSA also requested information from a number of finance companies through which a large proportion of Synergys' customers had financed their premiums.
- 4.13. You attended a compelled interview with FSA investigators on 18 March 2009 (the "Interview").

The FSA's findings

Synergys

- 4.14. On 1 October 2008, the FSA issued a First Supervisory Notice to Synergys ("the Notice"), as set out in paragraph 4.3 above which removed all regulated activities from Synergys' Part IV permission, having the effect of requiring Synergys to cease conducting all regulated activities with immediate effect, and to notify its customers that it was no longer permitted by the FSA to conduct regulated activities. On receiving the Notice, you ignored the requirements of the Notice and Synergys carried on conducting regulated activities and receiving premiums from consumers, in contravention of a requirement imposed upon it by the FSA and contrary to section 20 of FSMA.
- 4.15. You have also failed to respond to two Compelled Document Requests made by the FSA to you under section 165 of FSMA.
- 4.16. The FSA compared the records held by the finance companies that Synergys' customers had used to enable them to finance their premiums with the records held by the insurance providers which you had named on the very limited number of occasions on which you had given customers the name of the insurer which was underwriting their policies. That information showed that during the Relevant

Synergys Period you had failed to pass on to any insurer the money paid to Synergys by the finance companies for the purpose of financing Synergys' customers' premiums. During that period, Synergys received £358,750.34 via a finance company. You also stated in the Interview that approximately 10% of Synergys' customers had made payments directly to Synergys, rather than through a finance company.

- 4.17. In the Interview, you stated that Synergys had a contractual relationship with a wholesale broker (Broker A) until July 2007. After this relationship ended you stated that Synergys had an arrangement with a different insurer (Insurer A), who went bankrupt three months later. You admitted that after that date Synergys had not passed on any insurance premiums to an insurer.
- 4.18. An analysis of Broker A's bordereaux showed that Mr Hazelwood had placed policies until July 2007, however after this date there was no record of Synergys placing insurance policies through Broker A. Furthermore, Insurer A went into administration in November 2005. The FSA therefore concludes that from July 2007, Synergys did not pass on the money it received from Synergys by its customers in payment of their insurance premiums to an authorised insurer.
- 4.19. The FSA has also concluded that you falsified documents in order to mislead Synergys' customers into believing that Synergys had obtained insurance cover providing medical locum support on their behalf. The FSA received a policy document issued by Synergys containing the names of two insurers (Insurer A and Insurer B). When confronted with the finding that Insurer A and Insurer B had no record of placing any business from Synergys, firstly you stated that the document must have been sent to the customer in error and you then suggested that you placed business to various other named insurers. The FSA does not consider either of these explanations credible.
- 4.20. As a consequence of your actions, cover had not been placed for Synergys' customers with an authorised insurer. You claimed that Synergys paid those insurance claims made by customers that you determined were "valid", however, from documents seized during the search warrants, the FSA has found numerous instances where Synergys had not paid potentially valid claims. Furthermore, in the Interview you

admitted that you had no expertise which qualifies you to determine whether a claim is in fact “valid”.

4.21. By failing to pass on insurance premiums during the Relevant Synergys Period to an authorised insurer you:

- (1) deliberately and dishonestly misled Synergys’ customers into believing that they had purchased insurance policies from an authorised insurer; and
- (2) caused customers to suffer financial loss by misleading them into paying for a service they did not receive.

Furthermore, as Synergys was issuing, or was purporting to issue, insurance policies without an insurer, it was contravening section 20 of FSMA in that it was effecting and carrying on contracts of insurance without permission from the FSA.

Aquote

4.22. From the documents seized during the search warrants it was evident that you were conducting regulated activities as a sole trader, under the trading name Aquote. In the Interview you stated that:

- (1) you began trading as Aquote when Synergys was placed into liquidation as a result of a winding up order made against Synergys on 29 October 2008, following a petition from Her Majesty’s Revenue and Customs. However, the FSA has seen correspondence between Aquote and its customers which shows that Aquote was in correspondence with Synergys’ customers from at least 9 September 2008, and that Synergys was using the website www.aquote.biz as early as June 2008;
- (2) you did not apply to the FSA for authorisation to allow Aquote to conduct regulated activities as you considered that, given the FSA’s concerns regarding Synergys, such authorisation would not be granted;
- (3) no insurance premiums paid to Aquote were ever passed to an authorised insurer;

- (4) you had contacted Synergys' customers claiming that Synergys had been acquired by Aquote, which was not true;
- (5) you had not been required to pay any claims as Aquote had not received any claims. When the FSA presented you with evidence of insurance claims which had been made to Aquote, you admitted that whilst claims had been made, you could not afford to pay them; and
- (6) Aquote had received approximately £25,000 from customers during the Relevant Aquote Period.

4.23. The FSA has therefore concluded that you never intended to pass on premiums to insurers or pay any claim received by Aquote from its customers and that it was your intention to continue to obtain money from your customers under false pretences for your own personal gain.

4.24. Trading as Aquote, you were carrying on, or purporting to carry on, the following regulated activities in relation to insurance mediation:

- effecting and carrying out contracts of insurance;
- advising on investments (excluding Pension Transfers and Opt Outs);
- arranging deals in investments;
- assisting in the administration of insurance;
- dealing in investments as agent; and
- making arrangements with a view to investment.

4.25. By carrying on and or purporting to carry on these regulated activities, you were acting in breach of the general prohibition under section 19 of FSMA. As a result of this any customers who dealt with Aquote were denied access to the Financial Ombudsman Service or the Financial Services Compensation Scheme and were therefore put at serious risk that the product they had purchased would not protect them should they need to be called upon.

5. ANALYSIS OF BREACHES

5.1. The FSA has concluded that:

- (1) as the sole approved person at Synergys, you deliberately failed to ensure that Synergys put in place insurance cover for its customers despite Synergys being paid premiums by those customers for that purpose;
- (2) you used those premiums both to fund Synergys and for your own personal benefit;
- (3) you provided false information to Synergys' customers with the purpose of misleading them into believing that they had appropriate insurance in place;
- (4) you knowingly permitted Synergys to effectively act as an insurer in breach of section 20 of FSMA by, paying some claims made by Synergys' customers against insurance policies which Synergys had failed to put in place, despite (by your own admission) having no expertise on which to judge which claims "valid";
- (5) despite the FSA having withdrawn, on 1 October 2008, the permission given to Synergys to conduct regulated activities, you continued to trade as Synergys and to conduct regulated activities in its name, in breach of section 20 of FSMA;
- (6) you additionally established yourself as a sole trader under the trading name Aquote and conducted regulated activities as Aquote without being authorised by the FSA to do so, in breach of section 19 of FSMA;
- (7) as the sole person at Aquote, you deliberately failed to ensure that Aquote put in place insurance cover for its customers despite Aquote being paid premiums by those customers for that purpose;
- (8) you used those premiums both to fund Aquote and for your own personal benefit; and

(9) you provided false information to Aquote's customers with the purpose of misleading them into believing that they had appropriate insurance in place.

5.2. The FSA considers that you lack honesty and integrity and you are not a fit and proper person. You pose a significant risk to product providers and consumers and having regard to the FSA's regulatory objectives, including the severity of the risk that you pose to the confidence in the financial system and the reduction of financial crime, the FSA considers that it is necessary and proportionate to withdraw the approval given to you and to prohibit you from performing any functions in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm.

6. CONCLUSION AND SANCTION

6.1. Having regard to the facts and matters described above, the FSA has considered whether you are a fit and proper person. In doing so, the FSA has had regard to its statutory objectives, regulatory requirements and relevant guidance referred to in section 3 above. In assessing your honesty, integrity and reputation for the purpose of considering whether you are a fit and proper person, the FSA had regard to your knowing involvement in the deliberate dishonest actions taken by you without concern for the risk posed to customers and product providers.

6.2. The seriousness of your misconduct means that if you continued to perform any functions you would pose a serious risk to the FSA's statutory objectives of market confidence, the protection of consumers and the reduction of financial crime.

6.3. The FSA considers that to achieve its regulatory objectives it should exercise its power to withdraw the approval given to you and to make an order prohibiting you from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm.

7. DECISION MAKERS

7.1. The decision which gave rise to the obligation to give this Notice was made by the Settlement Decision Makers on behalf of the FSA.

8. PUBLICITY

- 8.1. Sections 391(4), 391(6) and 391(7) of FSMA apply to the publication of information about the matter to which this Notice relates. Under those provisions, the FSA must publish such information about the matter to which this Notice relates as the FSA considers appropriate. The information may be published in such manner as the FSA considers appropriate. However, the FSA may not publish information if such publication would, in the opinion of the FSA, be unfair to you or prejudicial to the interests of consumers.
- 8.2. The FSA intends to publish such information about the matter to which this Notice relates as it considers appropriate.

FSA contacts

- 8.3. For more information concerning this matter generally, please contact Paul Howick (direct line: 020 7066 7954) of the Enforcement and Financial Crime Division of the FSA.

Signed:

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Tom Spender
Head of Department
FSA Enforcement and Financial Crime Division

ANNEX A

STATUTORY PROVISIONS, REGULATORY GUIDANCE AND POLICY

Statutory Provisions

Section 19(1) of FSMA, provides that no person may carry on a regulated activity in the United Kingdom, or purport to do so, unless he is:

- a) an authorised person; or
- b) an exempt person.

Section 19(2) of FSMA provides that this prohibition is referred to as the general prohibition.

Section 20(1) of FSMA provides that if an authorised person carries on a regulated activity in the United Kingdom, or purports to do so, otherwise than in accordance with permission-

- a) given to him by the FSA under Part IV, or
- b) resulting from any other provision of FSMA,

he is to be taken to have contravened a requirement imposed upon him by the FSA under FSMA.

Section 22(1) of FSMA provides that an activity is a regulated activity for the purposes of FSMA if it is an activity of a specified kind which is carried on by way of business and –

- a) relates to an investment of a specified kind; or
- b) in the case of an activity of a kind which is also specified for the purposes of this paragraph, is carried on in relation to property of any kind.

Article 4 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (the “Order”), provides that a specified kind of activity which is carried on by way of business, and relates to an investment of a specified kind, and applicable to that activity is a regulated activity for the purposes of FSMA.

Article 10 of the Order provides that effecting a contract of insurance as principal and carrying out a contract of insurance as principal are both specified kinds of activity for the purposes of section 22 of FSMA.

Articles 73 and 75 of the Order provides that contracts of insurance are investments for the purposes of section 22 of FSMA.

Effecting and Carrying out Contracts of Insurance as Principal

By reason of Articles 10, 73 and 75 of the Order, both effecting and carrying out contracts of insurance as principal are regulated activities.

To effect a contract of insurance is to enter into new business and to carry out a contract of insurance is to perform obligations under the contract, including payment of claims (*Whiteley Insurance consultants (a/k As Kingfisher Travel Insurance Services), Re v [2008] EWHC at para 15*).

The purpose of the words "as principal" is to confirm that the legislation does not extend to agents duly authorised by insurers (*In re a Company (No 007816 of 1994) [1997] 2 BCLC 685*).

Fit and Proper Test for Approved Persons ("FIT")

The purpose of FIT is to outline the main criteria for assessing the fitness and propriety of a candidate for a controlled function and FIT is also relevant in assessing the continuing fitness and propriety of an approved person.

FIT 1.3.1G provides that the FSA will have regard to a number of factors when assessing a person's fitness and propriety. One of the most important considerations will be the person's honesty, integrity and reputation.

In determining a person's honesty, integrity and reputation, FIT 2.1 provides that the FSA will have regard to matters including, but not limited to, those set out in FIT 2.1.3G. The guidance includes:

- (1) whether the person has contravened any of the requirements and standards of the regulatory system (FIT 2.1.3G(5)); and

- (2) whether, in the past, the person has been candid and truthful in all his dealings with any regulatory body and whether the person demonstrates a readiness and willingness to comply with the requirements and standards of the regulatory system and with other legal, regulatory and professional requirements and standards (FIT 2.1.3G(13)).

FSA's policy for exercising its power to make a prohibition order and withdraw approval

The FSA's approach to exercising its powers to make prohibition orders and to withdraw approval from an approved person is set out at Chapter 9 of the Enforcement Guide ("EG").

EG 9.1 states that the FSA's power to make prohibition orders under section 56 of FSMA helps it work towards achieving its regulatory objectives. The FSA may exercise this power where it considers that, to achieve any of those objectives, it is appropriate either to prevent an individual from performing any functions in relation to regulated activities or to restrict the functions which he may perform.

EG 9.2 states that, where it considers it appropriate, the FSA may prohibit an approved person, in addition to withdrawing their approval.

EG 9.4 sets out the general scope of the FSA's power in this respect, which include the power to make a range of prohibition orders depending on the circumstances of each case and the range of regulated activities to which the individual's lack of fitness and propriety is relevant.

EG 9.5 provides that the scope of a prohibition order will vary according to the range of functions which the individual concerned performs in relation to regulated activities, the reasons why he is not fit and proper and the severity of risk which he poses to consumers or the market generally.

The FSA will consider the severity of the risk posed by the individual and may prohibit the individual where it considers this is appropriate to achieve one or more of its regulatory objectives. When considering whether to exercise its power to make a prohibition order against such an individual, the FSA will consider all the relevant circumstances of the case, which may include but are not limited to the factors set out in EG 9.9.

EG 9.9 provides that when deciding whether to make a prohibition order and/or withdraw the approval of an approved person the FSA will consider all the relevant circumstances of the case, which may include (but are not limited to):

- (1) whether the individual is fit and proper to perform functions in relation to regulated activities. The criteria for assessing the fitness and propriety of an approved person in terms of honesty, integrity and reputation are set out in FIT2.1 (Honesty, integrity and reputation) and include whether the person has contravened any of the requirements and standards of the regulatory system, their openness and honesty in dealing with regulators, and their readiness and willingness to comply with the requirements and standards of the regulatory system as well as with other legal and professional obligations and ethical standards;
- (2) whether the approved person has been knowingly concerned in a contravention by the relevant firm of a requirement imposed on the firm by or under FSMA (including the Principles and other rules);
- (3) the relevance and materiality of any matters indicating unfitness;
- (4) the length of time since the occurrence of any matters indicating unfitness; and
- (5) the severity of the risk which the individual poses to consumers and to confidence in the financial system.

EG 9.12 provides a number of examples of types of behaviour which have previously resulted in the FSA deciding to issue a prohibition order or withdraw the approval of an approved person. The examples include:

- (1) providing false or misleading information to the FSA;
- (2) severe acts of dishonesty, for example those which may have resulted in financial crime; and
- (3) serious breaches of the Statements of Principle for approved persons, such as providing misleading information to consumers and failing to remedy breaches of the general prohibition or to ensure that a firm acted within the scope of its permissions.