
FINAL NOTICE

**Kreis Financial Ltd
13th Floor, City Tower
Piccadilly Plaza
Manchester
Lancashire
M1 4BT**

ACTION

1. By an application dated 12 August 2020 ('the application'), Kreis Financial Ltd applied under section 60(1) of the Act for Part V approval for Mr Neptune Tavarez Tanoh ('the candidate') to perform SMF3 Executive Director and SMF27 Partner.
2. The Application was incomplete.
3. The Authority has refused the Application.

SUMMARY OF REASONS

4. By its Warning Notice dated 13 September 2021, the Authority gave notice that it proposed to refuse the Application and that Kreis Financial Ltd was entitled to make representations to the Authority about that proposed action.
5. As no representations have been received by the Authority from Kreis Financial Ltd within the time allowed by the Warning Notice, the default procedures in paragraph 2.3.2 of the Authority's Decision Procedure and Penalties Manual apply, permitting

the Authority to treat the matters referred to in its Warning Notice as undisputed and, accordingly, to give a Decision Notice.

6. Kreis Financial Ltd has failed to respond to seven email requests, five telephone calls and two recorded delivery letters for the provision of information considered by the Authority to be necessary to allow the Application to be determined. The last request included a statement to the effect that Kreis Financial Ltd must contact the Authority within 10 business days, or the Authority would issue Kreis Financial Ltd with a Warning Notice. No response was received.
7. The Authority must therefore determine the Application based upon the information received to date, in circumstances where its requests for information have not been met. Having reviewed that information, the Authority cannot ensure that the candidate is a fit and proper person to perform the SMF3 Executive Director and SMF27 Partner role.
8. In light of the above the Authority has refused the Application.

DEFINITIONS

9. The definitions below are used in this Decision Notice.

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

“the Application” means the application referred to in paragraph 1 above;

“the Authority” means the Financial Conduct Authority;

“the candidate” means Neptune Tavarez Tanoh, in respect of whom the Application is made;

“DBS” means Disclosure and Barring Service;

“FIT” means the Fit and Proper test for Employees and Senior Personnel section of the Authority’s Handbook;

“the RDC” means the Authority’s Regulatory Decisions Committee;

“the RTC” means the Authority’s Regulatory Transactions Committee; and

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

“the Warning Notice” means the Warning Notice dated 13 September 2021 given to Kreis Financial Ltd by the Authority.

FACTS AND MATTERS

10. The Application was received by the Authority on 12 August 2020.
11. Further information was requested from Kreis Financial Ltd under section 55U (5) of the Act.
12. Details of all relevant communications between the Authority and Kreis Financial Ltd are set out below.

13. The Authority requested the following information in support of the Application:

- On 11 November 2020, an email was sent requesting copies of documents marked as 'Send Later' on the application:
 - Competency Assessment
 - Skills Gap Analysis
 - Learning and Development
- On 18 February 2021, the Authority attempted to call Kreis Financial Ltd. No response to the call was received.
- On 18 February 2021, the Authority sent an email to Kreis Financial Ltd requesting the outstanding documents above and further information:
 - Details of how much time the candidate spends in each of the roles;
 - How the firm has satisfied itself that the candidate can devote the appropriate amount of time to ensure he can perform his duties for each role effectively.
 - As SMF16 and SMF17 have been removed from the candidate, the firm was requested to confirm if they are happy to remove Prescribed Responsibility D and Z as the remaining Prescribed Responsibility: A, B and B-1 on the Statement of Responsibility document would be best appropriate for SMF27 and SMF3. No response received from the firm.
- On 17 March 2021 the Authority attempted to call Kreis Financial Ltd. No response to the call was received.
- On 17 March 2021, the Authority sent an email to Kreis Financial Ltd asking for a response to the information requested. No response received from the firm
- On 25 March 2021, the Authority attempted to call Kreis Financial Ltd. No response to the call was received.
- On 25 March 2021, the Authority sent an email to Kreis Financial Ltd asking for a response to the information requested. No response received from the firm.
- On 15 April 2021, the Authority attempted to call Kreis Financial Ltd. No response to the call was received.
- On 15 April 2021, the Authority sent an email to Kreis Financial Ltd asking for a response to the information requested. No response received from the firm.
- On 23 April 2021, the Authority attempted to call Kreis Financial Ltd. No response to the call was received.

- On 23 April 2021, the Authority sent an email to Kreis Financial Ltd asking for a response to the information requested. No response received from the firm.
14. On 5 May 2021, the Authority sent a letter to Kreis Financial Ltd by way of email and recorded delivery, noting the lack of a response to its requests for the information and informing that a failure to provide the information would result in the Application being determined based upon the information received to date. The Authority also informed that this might result in a recommendation to the RTC that it issue Kreis Financial Ltd with a Warning Notice proposing to refuse the Application. Kreis Financial Ltd failed to provide the outstanding information by the stated deadline.

IMPACT ON THE CANDIDATE'S FITNESS AND PROPRIETY

15. Kreis Financial Ltd and the candidate have failed to respond to all requests for the provision of information considered by the Authority to be necessary to allow the Application to be determined. The final request gave Kreis Financial Ltd 10 business days to respond and included a statement to the effect that Kreis Financial Ltd must contact the Authority, or the Authority would recommend to the RTC that Kreis Financial Ltd receives a Warning Notice.
16. The Authority must therefore determine the Application based upon the information received to date, in circumstances where its requests for information have not been met. Having reviewed that information, the Authority cannot be satisfied that the candidate, in respect of whom the application is made, is a fit and proper person to perform the function to which the Application relates.
17. Authorised firms (and those seeking authorisation) are expected to engage with the Authority in an open and cooperative way. The failure to provide the requested information raises concerns that the candidate lacks the competence and capability to carry out the senior management function to which the Application relates.
18. The failure to provide the information raises concerns as to whether the candidate:
- a. can satisfy the FIT criteria in relation to FIT 2.2 Competence and Capability; and
 - b. will conduct the senior management function to which the Application relates to with due skill and care and in compliance with proper standards as required by FIT.

IMPORTANT NOTICES

19. This Final Notice is given under section 390(1) of the Act.

Publication

20. Sections 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this Notice relates. Under those provisions, the Authority must publish such information about the matter to which this Notice relates 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.

21. The Authority intends to publish such information about the matter to which this Final Notice relates.

Authority contacts

22. For more information concerning this matter generally, contact Laura Moloney, Manager, Senior Managers Regime Lending & Intermediaries Team/Authorisations Division at the Authority (direct line: 020 7066 0488 / email: Laura.Moloney@fca.org.uk).

Laura Moloney
Executive Decision maker on behalf of the Authority

ANNEX A – REGULATORY PROVISIONS RELEVANT TO THIS FINAL NOTICE

Relevant statutory provisions

1. The Authority may grant an application for approval under section 60 of the Act only if it is satisfied that the person in respect of whom the application is made is a fit and proper person to perform the controlled function to which the application relates (section 61(1) of the Act).
2. Section 62(2) of the Act requires the Authority, if it proposes to refuse the application, to issue a Final Notice.

Relevant provisions of the Authority’s Handbook

3. The Fit and Proper test for Approved Persons (“FIT”) sets out the criteria that the Authority will consider when assessing the fitness and propriety of a person to perform a particular controlled function.
4. The most important considerations to which the Authority will have regard include the person’s competence and capability.
5. If a matter comes to the Authority’s attention which suggests that the person might not be fit and proper, the Authority will take into account how relevant and important that matter is (FIT 1.3.4G).
6. In determining a person’s competence and capability, the matters to which the Authority will have regard include:
 - (1) whether the person satisfies the relevant Authority training and competence requirements in relation to the controlled function the person performs or is intended to perform (FIT 2.2.1G (1));
 - (2) whether the person has demonstrated by experience and training that the person is suitable, or will be suitable if approved, to perform the controlled function (FIT 2.2.1G (2)); and
 - (3) whether the person has adequate time to perform the controlled function and meet the responsibilities associated with that function (FIT 2.2.1G (3)).