



**Financial Conduct Authority**

25 The North Colonnade  
Canary Wharf  
London  
E14 5HS

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

---

## **FINAL NOTICE**

---

Mymoneyman Finance Limited  
The Courtyard  
30 Worthing Road  
Horsham  
West Sussex  
RH12 1SL

25 November 2016

### **ACTION**

1. By an application dated 24 September 2015 Mymoneyman Finance Limited ("MMF") applied under section 55A of the Act for Part 4A permission to carry on the regulated activities of:
  - i. Exercising or having the right to exercise lenders' rights and duties under a bill of sale loan agreement; and
  - ii. Exercising/having rights to exercise lenders' rights and duties under a regulated credit agreement (excluding high-cost short-term credit, bill of sale agreement, and home collected credit agreement).
2. The Application is incomplete.
3. For the reasons listed below, the Authority has refused the Application.

4. As a result of the giving of the Decision Notice, pursuant to article 58(1)(a) of the Transitional Order, MMF's interim permission has ceased.

## **SUMMARY OF REASONS**

5. By its Warning Notice dated 17 August 2016 the Authority gave notice that it proposed to refuse the Application and that MMF was entitled to make representations to the Authority about that proposed action.
6. As no representations have been received by the Authority from MMF 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.
7. By its Decision Notice dated 3 October 2016 the Authority gave MMF notice that it had decided to take the action described above.
8. MMF had 28 days from the date the Decision notice was given to refer the matter to the Upper Tribunal (formerly known as the Financial Services and Markets Tribunal). No referral was made to the Upper Tribunal within this period of time or to date.
9. Under section 390(1) of the Act, the Authority, having decided to refuse the Application and there having been no reference of that decision to the Upper Tribunal, must give MMF Final Notice of its refusal.
10. The initial Application by MMF was incomplete. The Authority has made repeated requests to MMF for further information. MMF has failed to provide the outstanding information.
11. The Authority decided to refuse the Application and to give this Final Notice as MMF has failed to provide the information required by the Authority and, in the absence of the information sought, the Authority cannot ensure that MMF will satisfy, and continue to satisfy, the threshold conditions set out in Schedule 6 of the Act.

## **DEFINITIONS**

12. The definitions below are used in this Final Notice.

"the Act" means the Financial Services and Markets Act 2000

"the Application" means the application referred to in paragraph one above

"the Authority" means the body corporate previously known as the Financial Services Authority and renamed on 1 April 2013 as the Financial Conduct Authority

"the Decision Notice" means the decision notice referred to in paragraph seven above

"the RTC" means the Authority's Regulatory Transaction Committee

"the Transitional Order" means the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2013 (SI 2013/1881)

"the Upper Tribunal" means the Upper Tribunal (Tax & Chancery Chamber)

"the Warning Notice" means the warning notice referred to in paragraph five above.

## **FACTS AND MATTERS**

13. The Application was received by the Authority on 24 September 2015.

14. Further information was requested from MMF under section 55U(5) of the Act.

15. Details of all the relevant communications between the Authority and MMF are set out below:

- i. On 11 January 2016, MMF Limited was asked to provide the following information by 15 January 2016 in support of the Application:
  - a) an organisational structure chart of MMF;
  - b) details of the controllers at Romangate Limited who are the controllers of MMF;
  - c) opening balance sheet demonstrating how MMF will meet its financial resources requirements at the date of authorisation;
  - d) forecast closing balance sheet for the first 12 months of trading after authorisation;
  - e) monthly cash flow forecast for the first 12 months of trading after authorisation;
  - f) monthly profit and loss forecast for the first 12 months of trading after authorisation; and
  - g) information relating to the Fitness and Propriety section of the application form.
- ii. On 26 February 2016 the Authority emailed MMF informing it that a failure to provide the information would result in the Application being determined based upon the information received to date and that this would result in a recommendation to the RTC that it issue MMF with a Warning Notice proposing to refuse the Application. No response was received to this email by the stated deadline of 11 March 2016.
- iii. On 16 March 2016 the Authority wrote and emailed MMF informing it that a failure to provide the information would result in the Application being determined based upon the information received to date and that this would result in a recommendation to the RTC that it issue MMF with a Warning Notice proposing to refuse the Application.

No response was received to this letter by the stated deadline of 30 March 2016 (i.e. within ten days).

- iv. On 31 March 2016 the Authority wrote to MMF, noting the lack of a response to its previous letters of 26 February and 16 March 2016 and reiterated that a failure to provide the information would result in the Application being determined based upon the information received to date. The letter again noted that a failure to reply would result in a recommendation to the RTC that it issue MMF with a Warning Notice proposing to refuse the Application. No response was received to this letter by the stated deadline of 14 April 2016 (i.e. within ten days). The letter was returned to the Authority on 4 April 2016 marked as "*Not known at this address – return to sender*".
- v. On 25 April 2016 the Authority wrote to MMF noting the lack of a response to its previous letters of 26 February, 16 and 31 March 2016 and reiterated that a failure to provide the information would result in the Application being determined based upon the information received to date. The letter again noted that this would result in a recommendation to the RTC that it issue MMF with a Warning Notice proposing to refuse the Application. No response was received to this letter by the stated deadline of 9 May 2016 (i.e. within ten days). The letter was returned to the Authority on 28 April 2016 marked as "*addressee Gone Away*".
- vi. On 27 April 2016 the Authority telephoned MMF. A message was left requesting MMF contact the Authority regarding the Application.
- vii. On 18 August 2016 MMF contacted the Authority, stating he had previously withdrawn the application.
- viii. The Authority telephoned MMF on the 18 and 22 August 2016, requesting MMF contact the Authority in relation to withdrawing the application. To date no response has been received.
- ix. The Warning Notice was returned to the Authority marked as "*Refused*".

## **IMPACT ON THRESHOLD CONDITIONS**

- 16. The regulatory provisions relevant to this Final Notice are referred to in Annex A.
- 17. MMF has failed to respond to five separate requests for the provision of the information considered, by the Authority, to be necessary to allow the Application to be determined. These requests were made over a 17 week period. The latter four requests included a statement to the effect that the recipient must contact the Authority or face a Warning Notice
- 18. 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 MMF satisfies, and will continue to satisfy, the threshold conditions.
- 19. 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 MMF would fail to do so if the Application were to be granted.

20. The failure to provide the information raises concerns as to whether MMF:

- i. can be effectively supervised by the Authority as required by threshold condition 2C;
- ii. has appropriate human resources, given MMF's failure to provide the Authority with the requested information as required by threshold condition 2D; and
- iii. will conduct its business with integrity and in compliance with proper standards as required by threshold condition 2E.

21. On the basis of the facts and matters described above, in particular the failure to provide the information sought, the Authority has concluded that it cannot ensure that MMF will satisfy, and continue to satisfy, the threshold conditions in relation to all of the regulated activities for which MMF would have permission if the application was granted.

## **IMPORTANT NOTICES**

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

## **Publication**

23. 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. 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.

24. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

**Authority contacts**

25. For more information concerning this matter generally, contact Richard Baker, Manager, Debt Team, Authorisations Department at the Authority (direct line: 020 7066 1236 / email: [Richard.baker@fca.org.uk](mailto:Richard.baker@fca.org.uk)).

**David Fisher**  
**on behalf of the Regulatory Transactions Committee**

## **ANNEX A – REGULATORY PROVISIONS RELEVANT TO THIS FINAL NOTICE**

### **Relevant Statutory Provisions**

1. Section 55A(1) of the Act provides for an application for permission to carry on one or more regulated activities to be made to the appropriate regulator. Section 55A(2) defines the “appropriate regulator” for different applications.
2. Section 55B(3) of the Act provides that, in giving or varying permission, imposing or varying a requirement, or giving consent, under any provision of Part 4A of the Act, each regulator must ensure that the person concerned will satisfy, and continue to satisfy, in relation to all of the regulated activities for which the person has or will have permission, the threshold conditions for which that regulator is responsible.
3. The threshold conditions are set out in schedule 6 of the Act. In brief, the threshold conditions relate to:
  - (1) Threshold condition 2B: Location of offices
  - (2) Threshold condition 2C: Effective supervision
  - (3) Threshold condition 2D: Appropriate resources
  - (4) Threshold condition 2E: Suitability
  - (5) Threshold condition 2F: Business model

### **Relevant provisions of the Authority’s Handbook**

4. In exercising its powers in relation to the granting of a Part 4A permission, the Authority must have regard to guidance published in the Authority Handbook, including the part titled Threshold Conditions (“COND”). The main considerations in relation to the action specified are set out below.
5. COND 1.3.2G(2) states that, in relation to threshold conditions 2D to 2F, the Authority will consider whether a firm is ready, willing and organised to comply on a continuing basis with the requirements and standards under the regulatory system which will apply to the firm if it is granted Part 4A permission.
6. COND 1.3.3AG provides that, in determining the weight to be given to any relevant matter, the Authority will consider its significance in relation to the regulated activities for which the firm has, or will have, permission in the context of its ability to supervise the firm adequately, having regard to the Authority’s statutory objectives. In this context, a series of matters may be significant when taken together, even though each of them in isolation might not give serious cause for concern.

7. COND 1.3.3BG provides that, in determining whether the firm will satisfy, and continue to satisfy, the Authority threshold conditions, the Authority will have regard to all relevant matters, whether arising in the United Kingdom or elsewhere.
8. COND 1.3.3CG provides that, when assessing the Authority threshold conditions, the Authority may have regard to any person appearing to be, or likely to be, in a relevant relationship with the firm, in accordance with section 55R of the Act (Persons connected with an applicant). For example, a firm's controllers, its directors or partners, other persons with close links to the firm (see COND 2.3), and other persons that exert influence on the firm which might pose a risk to the firm's satisfaction of the Authority threshold conditions, would be in a relevant relationship with the firm.

#### Threshold Condition 2C: Effective Supervision

9. COND 2.3.3G states that, in assessing the threshold condition set out in paragraph 2C of Schedule 6 to the Act, factors which the Authority will take into consideration include, among other things, whether it is likely that the Authority will receive adequate information from the firm to determine whether it is complying with the requirements and standards under the regulatory system for which the Authority is responsible and to identify and assess the impact on its statutory objectives; this will include consideration of whether the firm is ready, willing and organised to comply with Principle 11 (Relations with regulators) and the rules in SUP on the provision of information to the Authority.

#### Threshold condition 2D: Appropriate Resources

10. COND 2.4.2G(2) states that the Authority will interpret the term 'appropriate' as meaning sufficient in terms of quantity, quality and availability, and 'resources' as including all financial resources (though only in the case of firms not carrying on, or seeking to carry on, a PRA-regulated activity), non-financial resources and means of managing its resources; for example, capital, provisions against liabilities, holdings of or access to cash and other liquid assets, human resources and effective means by which to manage risks.
11. COND 2.4.2G(2A) provides that, 'non-financial resources' of the firm include human resources it has available.
12. COND 2.4.2G(3) states that high level systems and control requirements are in SYSC. The Authority will consider whether the firm is ready, willing and organised to comply with these and other applicable systems and controls requirements when assessing if it has appropriate non-financial resources for the purpose of the threshold conditions set out in threshold condition 2D.

#### Threshold condition 2E: Suitability

13. COND 2.5.2G(2) states that the Authority will also take into consideration anything that could influence a firm's continuing ability to satisfy the threshold conditions set out in paragraphs 2E and 3D of Schedule 6 to the Act. Examples include the firm's position within a UK or international group, information provided by overseas regulators about the firm, and the firm's plans to seek to vary its Part 4A permission to carry on additional regulated activities once it has been granted that permission.



14. COND 2.5.4G(2)(c) states that examples of the kind of general considerations to which the Authority may have regard when assessing whether a firm will satisfy, and continue to satisfy, threshold condition 2E include, but are not limited to, whether the firm can demonstrate that it conducts, or will conduct, its business with integrity and in compliance with proper standards.
15. COND 2.5.6G provides that 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, this threshold condition include, but are not limited to, whether:
- (1) the firm has been open and co-operative in all its dealings with the Authority and any other regulatory body (see Principle 11 (Relations with regulators)) and is ready, willing and organised to comply with the requirements and standards under the regulatory system (such as the detailed requirements of SYSC and, in relation to a firm not carrying on, or seeking to carry on, a PRA-regulated activity only, the Prudential Standards part of the Authority's Handbook) in addition to other legal, regulatory and professional obligations; the relevant requirements and standards will depend on the circumstances of each case, including the regulated activities which the firm has permission, or is seeking permission, to carry on.