
FINAL NOTICE

To: Paydog Ltd

Address: Challenge House, Sherwood Drive, Bletchley
Milton Keynes, MK3 6DP

FRN: 934908

Dated: 23 April 2024

ACTION

1. For the reasons set out in this Final Notice, the Authority hereby takes the following action against Paydog Ltd ("the Firm").
2. Pursuant to regulation 10(1)(a) and (h) of the Payment Services Regulations 2017 ("PSRs"), the Authority has decided to cancel the Firm's authorisation as an Authorised Payment Institution ("API") under the PSRs.
3. The Authority issued to the Firm a Warning Notice and Decision Notice which notified the Firm of its decision to take the action specified above. The Firm has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was given to it. Accordingly, the Authority has today cancelled the authorisation granted to the Firm, as an API under the PSRs.

DEFINITIONS

4. The definitions below are used in this Decision Notice (and in the Annex):
"the Act" means the Financial Services and Markets Act 2000;

“the Authority” means the Financial Conduct Authority;

“the Decision Notice” means the Decision Notice issued by the Authority to the Firm dated 13 March 2024;

“EG” means the Authority’s Enforcement Guide;

“the Firm” means Paydog Ltd;

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

“the PSRs” means the Payment Services Regulations 2017;

“Return” means the annual regulatory report submitted by an API to the Authority using form FSA056;

“API” means Authorised Payment Institution as defined in regulation 2(1) of the PSRs;

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

“the Warning Notice” means the warning notice given the Firm dated 16 February 2024.

RELEVANT STATUTORY PROVISIONS

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

FACTS AND MATTERS RELIED ON

6. The Firm was authorised as an API by the Authority on 22 January 2021.
7. APIs are required by rules made by the Authority under the PSRs to report certain information to the Authority, by way of Return, on an annual basis. The Return is made by submitting a form FSA056. The Return includes details of the payment services provided by the API in the preceding year.
8. The Firm submitted a Return covering the period 1 May to 30 April for each of the years 2020, 2021, and 2022. In each Return, it reported having undertaken no payment transactions.

REASONS FOR THE ACTION

9. The Authority has decided that, on the basis of the facts and matters described above, the Firm did not provide payments services within 12 months beginning with the date on which the authorisation took effect. This provides a basis for cancelling the Firm’s registration in accordance with regulation 10(1)(a) of the PSRs.
10. Furthermore, the Authority has concluded that on the basis of the facts and matters described above the Firm no longer requires its authorisation and considers that it is desirable to cancel the Firm’s authorisation as an API in order to protect the interests of consumers, in accordance with Regulation 10(1)(h) of the PSRs.

11. The Authority has therefore decided to cancel the Firm's authorisation for the reasons described above.
12. The Firm has made no representations in respect to the matters that relate to this Final Notice.

DECISION MAKER

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

IMPORTANT

14. This Final Notice is given to the Firm in accordance with section 390(1) of the Act (as applied by paragraph 10 of Schedule 6 of the PSR's).

Publicity

15. Sections 391(4), 391(6) and 391(7) of the Act (as applied by paragraph 10 of Schedule 6 of the PSRs) 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 information would, in the opinion of the Authority, be unfair to the Firm or prejudicial to the interests of consumers.
16. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority contact

21. For more information concerning this matter generally, the Firm should contact Connie Wray at the Authority (direct line: 020 7066 0828).

Jeremy Parkinson
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. Regulation 10(1)(a) of the PSRs gives the Authority the power to cancel the authorisation of an authorised payment institution where the firm does not provide payment services within 12 months beginning with the date on which the authorisation took effect.
3. Under Regulation 10(1)(h) of the PSRs, the Authority may cancel the registration of an API where the cancellation is desirable in order to protect the interests of consumers.

RELEVANT HANDBOOK PROVISIONS

4. In exercising its powers to cancel the authorisation of an API, the Authority must have regard to guidance published in the Handbook. The main considerations relevant to the action are set out below.
5. The Authority's policy in relation to exercising its enforcement powers is set out in EG, the relevant provisions of which are summarised below.
6. EG 19.20.2 provides that the Authority's approach to enforcing the PSRs will mirror its general approach to enforcing the Act.
7. EG 19.20.5 provides that, in relation to the PSR, the Authority has decided to adopt procedures and policies in relation to the use of its sanctioning and regulatory powers, akin to those it has under the Act.