
FINAL NOTICE

Roman Claims Limited

ACTION

1. By an application dated 30 July 2019 (“the Application”), Roman Claims Limited (“RCL”) applied under section 55A of the Act for Part 4A permission to carry on the regulated activities of:
 - 1) Seeking out, referrals and identification of claims or potential claims (personal injury claim; financial services or financial product claim; housing disrepair claim; claim for a specified benefit; criminal injury claim; employment related claim); and
 - 2) Advice, investigation or representation in relation to a personal injury claim.
2. The Application is incomplete.
3. For the reasons set out below and pursuant to section 55V of the Act, the Authority has refused the Application.

SUMMARY OF REASONS

4. By its Warning Notice dated 3 June 2021, the Authority gave notice that it proposed to refuse the Application and that RCL was entitled to make representations to the Authority about that proposed action.
5. As no representations were received by the Authority from RCL 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 applied, permitting the Authority to treat the matters referred to in its Warning Notice as undisputed and, accordingly, to give a Decision Notice.

6. By its Decision Notice dated 8 September 2021, the Authority gave RCL notice that it had decided to take the action described above.
7. RCL had 28 days from the date the Decision Notice was given to refer the matter to the Upper Tribunal.
8. 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 Tribunal, must give RCL a final notice of its refusal.
9. RCL has failed to respond to eight separate requests 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 RCL must contact the Authority within 20 business days, or the Authority would recommend to the Authority's Regulatory Transactions Committee that RCL receive a Warning Notice. No response was received.
10. The Authority has therefore determined 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 RCL satisfies, and will continue to satisfy, the threshold conditions.
11. 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 RCL would fail to do so if the Application were to be granted.
12. The failure to provide the information raises concerns as to whether RCL:
 - 1) can be effectively supervised by the Authority as required by threshold condition 2C (Effective supervision);
 - 2) has appropriate human resources, given RCL's failure to provide the Authority with the requested information as required by threshold condition 2D (Appropriate resources); and
 - 3) will conduct its business with integrity and in compliance with proper standards as required by threshold condition 2E (Suitability).

DEFINITIONS

13. 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 1 above;

"the Authority" means the Financial Conduct Authority;

"the Decision Notice" means the Decision Notice dated 8 September 2021 given to RCL by the Authority;

"the RDC" means the Regulatory Decisions Committee;

"the RTC" means the Regulatory Transactions Committee;

"SMCR" means the Authority's Senior Managers and Certification Regime;

"SUP" means the Supervision section of the Authority's Handbook;

"SYSC" means the Senior Management Arrangements, Systems and Controls section of the Authority's Handbook;

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

"the Warning Notice" means the Warning Notice dated 3 June 2021 given to RCL by the Authority.

FACTS AND MATTERS

14. The Application was received by the Authority on 30 July 2019.

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

16. Between 4 September 2019 and 17 December 2020, the Authority sent RCL eleven emails, one letter and made seven telephone calls to elicit information that would assist the Authority in determining the Application.

17. On 4 September 2019, the Authority sent two emails to RCL using the contact details in the Application requesting the following information in support of the Application by 13 September 2019:

- 1) Fully completed claims management individual form for RCL's sole director, including his CV and signed declaration that the form was accurate;
- 2) Compliance procedure document; and
- 3) Financial projections, including the opening balance sheet for the first 12 months and the closing balance sheet for the first 12 months.

18. On 13 September 2019, RCL sent an email to the Authority providing all of the information requested on 4 September 2019 except for a signed declaration.

19. On 15 November 2019, the Authority sent an email to RCL requesting the following information in support of the Application by 22 November 2019:

- 1) Confirmation of whether the firm would be providing any personal injury advice, representation or investigation services;
- 2) Confirmation of persons with significant control of the firm;
- 3) Explanation of steps to be taken to prevent a compulsory strike-off action commenced by Companies House on 15 October 2019;
- 4) An explanation of why the applicant considered itself to be exempt from paying the FOS general levy; and
- 5) Confirmation that the applicant was going to pay outstanding periodic fees owed to the Authority.

20. On 26 November 2019, the Authority sent an email to RCL seeking confirmation of when the information requested on 15 November 2019 would be provided.

21. On 29 November 2019, the Authority sent an email to RCL notifying it that the implementation of the Authority's SMCR affected RCL and that it should submit a SMCR Form A and Statement of Responsibilities for RCL's director by 13 December 2019.

22. On 4 March 2020, the Authority sent an email to RCL attaching a letter noting that RCL had not responded to the Authority's request for information sent on 15 November 2019 and asked that RCL provide the information by 28 March 2020.

23. On 16 June 2020, the Authority called RCL to ask whether it wanted to continue pursuing the Application. RCL's director confirmed that he would decide this over the next two days. Following the call, the Authority sent an email to RCL asking whether it wished to:

- 1) provide the information requested on 15 November 2019 and 29 November 2019;
- 2) withdraw the Application; or
- 3) do nothing and continue with the non-responder process.

24. On 6 August 2020, the Authority called RCL to ask whether it had decided to continue pursuing the Application. There was no response. The Authority then emailed RCL requesting confirmation as a matter of urgency whether it wanted to pursue the Application.

25. On 3 November 2020, the Authority called RCL again to ask whether it had decided to continue pursuing the Application. RCL's director asked the Authority to call him back the following week as he was unable to discuss the Application. Following the call, the

Authority sent an email to RCL's director asking him to confirm whether he would be available for a call at midday on 11 November 2020.

26. On 11 November 2020, the Authority called RCL. RCL's director informed the Authority that he was unwell with COVID-19 and requested a further call in two weeks' time.
27. On 26 November 2020, the Authority attempted to call RCL. A voicemail message was left requesting RCL to return the Authority's call. Following the attempted call, the Authority sent an email to RCL's director asking when he would be available to discuss the Application.
28. On 9 December 2020, the Authority attempted to call RCL twice. On the first attempt, RCL's director hung up. On the second attempt, the call went straight to voicemail. A voicemail message was left requesting RCL to return the Authority's call.
29. On 17 December 2020, the Authority sent an email to RCL attaching a letter (which was also sent by recorded delivery post). The letter noted the lack of a response to the Authority's requests for information on 15 November 2019 and 29 November 2019. The letter informed RCL that a failure to provide the information would result in the Application being determined based upon the information received to date and that this might result in a recommendation to the RTC that it issue RCL with a Warning Notice proposing to refuse the Application. RCL was given 20 business days to provide the information, rather than the usual 10 business days, to take into account the director's disclosure that he had COVID-19. RCL failed to respond by 19 January 2021.
30. To date, the Authority has not received any response to its requests for information on 15 November 2019 and 29 November 2019, and RCL has failed to provide the information.

IMPACT ON THRESHOLD CONDITIONS

31. RCL has failed to respond to eight separate requests for the provision of information considered by the Authority to be necessary to allow the Application to be determined. The final request gave RCL 20 business days to respond and included a statement to the effect that RCL must contact the Authority, or the Authority would recommend to the RTC that RCL receives a Warning Notice.
32. The Authority has therefore determined 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 RCL satisfies, and will continue to satisfy, the threshold conditions.
33. 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 RCL would fail to do so if the Application were to be granted.
34. The failure to provide the information raises concerns as to whether RCL:

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

35. In view of the above, the Authority cannot ensure RCL satisfies, and will continue to satisfy, the threshold conditions that would apply to it were the Application to be granted.

IMPORTANT NOTICES

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

Publication

37. 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 RCL or prejudicial to the interests of consumers or detrimental to the stability of the UK financial system.

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

Authority contacts

39. For more information concerning this matter generally, contact Tina Archer, Manager, Claims Management Companies Department at the Authority (direct line: 020 7066 9188 / email: tina.archer@fca.org.uk).

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’s 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’s threshold conditions, the Authority will have regard to all relevant matters, whether arising in the United Kingdom or elsewhere.

Threshold Condition 2C: Effective supervision

8. 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

9. 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.
10. COND 2.4.2G(2A) provides that 'non-financial resources' of the firm include human resources it has available.
11. 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

12. 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.
13. 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.

14. 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 the firm has been open and cooperative 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.