

---

## **FINAL NOTICE**

---

**To: Russell David Jameson**

**Individual  
Reference  
Number: RDJ00002**

**Date: 3 November 2020**

### **ACTION**

1. For the reasons given in this Notice, the Authority has decided to make an order, pursuant to section 56 of the Act, prohibiting Mr Jameson from performing any function in relation to any regulated activities carried on by an authorised person, exempt person or exempt professional firm. The prohibition order takes effect from the date of this Notice.

### **SUMMARY OF REASONS**

2. As set out in more detail in the facts and matters described below, Mr Jameson:
  - a) pleaded guilty on 9 March 2018, at Chelmsford Crown Court, to:
    - i) 6 counts of making indecent photographs or pseudo-photographs of children, contrary to section 1(1)(a) of the Protection of Children Act 1978;
    - ii) 1 count of possessing prohibited images of children, contrary to section 62(1) and 66(2) of the Coroners and Justice Act 2009;

- iii) 1 count of possessing extreme pornographic images which involves sexual interference with a corpse, contrary to section 63(1) of the Criminal Justice and Immigration Act 2008;
  - iv) 1 count of possessing extreme pornographic images which involve threats to a person's life, contrary to section 63(1) of the Criminal Justice and Immigration Act 2008;
  - v) 1 count of possessing extreme pornographic images which involve an act likely to result in serious injury to the anus, breast and genitals, contrary to section 63(1) of the Criminal Justice and Immigration Act 2008;
  - vi) 1 count of possessing extreme pornographic images which involve an act of intercourse/oral sex with a dead/alive animal, contrary to section 63(1) of the Criminal Justice and Immigration Act 2008;
  - vii) 3 counts of distributing indecent photographs or pseudo-photographs of children, contrary to section 1(1)(b) of the Protection of Children Act 1978;
  - viii) 1 count of possessing indecent photographs/pseudo-photographs of children, contrary to section 160 of the Criminal Justice Act 1988; and
  - ix) 1 count of publishing obscene material, contrary to section 2(1) of the Obscene Publications Act 1959; and
- b) was sentenced on 19 July 2018 to 5 years imprisonment, received a Sexual Harm Prevention Order for a period of 5 years, was made subject to an indefinite requirement to sign the sex offender's register, was placed on the Barring List of the Disclosure Barring Service and received an order for the forfeiture of items seized during the investigation.
3. As a result, the Authority considers that Mr Jameson is not a fit and proper person to perform any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional person. Mr Jameson is not fit and proper because he lacks the necessary integrity and reputation to work in the regulated financial services sector.
4. In reaching this decision, the Authority has had regard to all relevant matters, including:

the seriousness of the offence and the surrounding circumstances; the relevance of the offence to Mr Jameson's role; Mr Jameson's explanation and the passage of time; any evidence of rehabilitation; and the severity of the risk posed by Mr Jameson to consumers and to confidence in financial system. The Authority considers that it is appropriate to impose the prohibition order set out in paragraph 1 above to advance its consumer protection and integrity operational objectives, as set out in sections 1C and 1D of the Act, respectively.

## **DEFINITIONS**

5. The definitions set out below are used in this Notice:

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

"the Authority" means the Financial Conduct Authority;

"CF1" means the "*director*" controlled function at an authorised firm;

"CF3" means the "*chief executive*" controlled function at an authorised firm;

"CF10" means the "*compliance oversight*" controlled function at an authorised firm;

"CF11" means the "*money laundering reporting*" controlled function at an authorised firm;

"CF30" means the "*customer dealing*" controlled function at an authorised firm;

"the Decision Notice" means the decision notice given to Mr Jameson on 1 October 2020;

"EG" means the Enforcement Guide;

"Firm A" means the authorised firm at which Mr Jameson was previously approved to perform controlled functions;

"FIT" means the Authority's Fit and Proper Test for Employees and Senior Personnel;

"the Handbook" means the Authority's Handbook of rules and guidance;

"Mr Jameson" means Mr Russell David Jameson;

"the RDC" means the Regulatory Decisions Committee of the Authority; and

"the Tribunal" means the Upper Tribunal (Tax and Chancery Chamber).

## **RELEVANT STATUTORY AND REGULATORY PROVISIONS**

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

## **FACTS AND MATTERS**

7. Firm A is an authorised firm at which Mr Jameson was a financial adviser. Mr Jameson was approved by the Authority on 1 December 2001 to hold various significant influence

and customer facing functions at Firm A. Mr Jameson performed the CF1, CF3, CF10, CF11 and CF30 controlled functions, all of which he held up until 9 March 2018, when he ceased to be an approved person after Firm A notified the Authority of Mr Jameson's dismissal. Mr Jameson is not currently approved to perform any controlled or senior manager functions in relation to any firm authorised by the Authority.

8. On 9 March 2018, Mr Jameson pleaded guilty, at Chelmsford Crown Court, to:

- a) 6 counts of making indecent photographs or pseudo-photographs of children, contrary to section 1(1)(a) of the Protection of Children Act 1978;
- b) 1 count of possessing prohibited images of children, contrary to section 62(1) and 66(2) of the Coroners and Justice Act 2009;
- c) 1 count of possessing extreme pornographic images which involves sexual interference with a corpse, contrary to section 63(1) of the Criminal Justice and Immigration Act 2008;
- d) 1 count of possessing extreme pornographic images which involve threats to a person's life, contrary to section 63(1) of the Criminal Justice and Immigration Act 2008;
- e) 1 count of possessing extreme pornographic images which involve an act likely to result in serious injury to the anus, breast and genitals, contrary to section 63(1) of the Criminal Justice and Immigration Act 2008;
- f) 1 count of possessing extreme pornographic images which involve an act of intercourse/oral sex with a dead/alive animal, contrary to section 63(1) of the Criminal Justice and Immigration Act 2008;
- g) 3 counts of distributing indecent photographs or pseudo-photographs of children, contrary to section 1(1)(b) of the Protection of Children Act 1978;
- h) 1 count of possessing indecent photographs/pseudo-photographs of children, contrary to section 160 of the Criminal Justice Act 1988; and
- i) 1 count of publishing obscene material, contrary to section 2(1) of the Obscene Publications Act 1959.

9. On 19 July 2018, Mr Jameson was sentenced to a 5 years' imprisonment. He was made subject to a 5 year Sexual Harm Prevention Order and was ordered to sign the sex offenders register indefinitely. He was required to forfeit material seized from him by the police and, further, he was included in the list of individuals barred from working with children or vulnerable adults.
10. Between January 2013 and August 2017, Mr Jameson made thousands of indecent photographs of children. He also possessed thousands of such images – including films and images of the utmost severity - and had distributed others online. Further, he had in his possession other extreme, prohibited imagery. He also engaged in online conversations about child abuse which amounted to the publication of obscene material. Mr Jameson used software to try and conceal his activities. However, he was arrested in August 2017 and the aforementioned material was seized.
11. The sentencing judge described Mr Jameson's conduct in relation to some of the individuals depicted in the images he shared as an "*outrageous abuse of trust*" – this was because he had superimposed the faces of individuals known to him onto pornographic material.
12. Through the Decision Notice, the Authority gave notice of its decision to take the action described in paragraph 1 above. Mr Jameson did not refer the matter to the Tribunal within 28 days of the date on which the Decision Notice was issued to him.
13. The Authority therefore makes an order prohibiting Mr Jameson from performing any function in relation to any regulated activity carried on by an authorised person, exempt person or exempt professional firm, for the reasons described above.

#### **PROCEDURAL MATTERS**

14. This Notice is given to Mr Jameson under, and in accordance with, section 390 of the Act.

#### **Decision-maker**

15. The decision which gave rise to the obligation to give this Notice was made by the RDC.

#### **Publicity**

16. 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 Mr Jameson, or prejudicial to the interests of consumers or detrimental to the stability of the UK financial system.

**Contact**

17. For more information concerning this matter generally, contact Allen Kontos (direct line: 020 7066 1634) of the Enforcement and Market Oversight Division of the Authority.

**Anna Couzens**  
**Manager, Threshold Conditions Team**  
**Enforcement and Market Oversight Division**  
**Financial Conduct Authority**

## **ANNEX**

### **RELEVANT STATUTORY AND REGULATORY PROVISIONS**

1. Section 1B of the Act provides that in discharging its general functions, the Authority must so far as is reasonably possible, act in a way which is compatible with its strategic objectives and advances one or more of its operational objectives.
2. The Authority's strategic objective is to ensure that "*relevant markets function well*" (section 1B(2) of the Act) and its operational objectives include securing an appropriate degree of protection for consumers (section 1C of the Act) and protecting and enhancing the integrity of the UK financial system (section 1D of the Act).
3. Section 56 of the Act provides:
  - (1) "*The [Authority] may make a prohibition order if it appears to it that an individual is not a fit and proper person to perform functions in relation to a regulated activity carried on by:*
    - (a) *an authorised person,*
    - (b) *a person who is an exempt person in relation to that activity, or*
    - (c) *a person to whom, as a result of Part 20, the general prohibition does not apply in relation to that activity.*"
  - [...]
  - (3) "*A prohibition order may relate to –*
    - (a) *a specified regulated activity, any regulated activity falling within a specified description or all regulated activities.*"

### **RELEVANT REGULATORY PROVISIONS**

4. In exercising its power to make a prohibition order, the Authority must have regard to guidance published in the Authority's Handbook of rules and guidance, and in regulatory guides, such as EG. The relevant main considerations in relation to the action specified above are set out below.

#### **The Enforcement Guide**

5. The Authority's policy in relation to exercising its power to issue a prohibition order is set out in EG.
6. EG 9.1 explains the purpose of prohibition orders in relation to the Authority's regulatory

objectives. It also explains that the effective use of the power to withdraw approval will help ensure high standards of regulatory conduct.

7. EG 9.2 sets out the Authority's general policy on making prohibition orders and withdrawing approval. In particular—

- (a) EG 9.2.1 states that the Authority will consider all relevant circumstances, including whether enforcement action should be taken or has been taken already against the individual by the Authority or other enforcement agencies;
- (b) EG 9.2.2 states that the Authority has 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; and
- (c) EG 9.2.3 states that the scope of a prohibition order will depend on 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.

8. EG 9.3.2 states that, when the Authority decides to make a prohibition order against an approved person and/or withdraw their approval, the Authority will consider all the relevant circumstances of the case. These may include, but are not limited to:

- (a) whether the individual is fit and proper to perform functions in relation to regulated activities (noting the criteria set out in FIT 2.1, 2.2, and 2.3);
- (b) the relevance and materiality of any matters indicating unfitness;
- (c) the length of time since the occurrence of any matters indicating unfitness;
- (d) the particular controlled function the approved person is (or was) performing, the nature and activities of the firm concerned and the markets in which he operates; and
- (e) the severity of the risk which the individual poses to consumers and to confidence in the financial system.

9. EG 9.3.4 states that owing to the "*diverse nature of the activities and functions which*



*the [Authority] regulates, it is not possible to produce a definitive list of matters which the [Authority] might take into account when considering whether an individual is not a fit and proper person to perform a particular, or any, function in relation to a particular, or any, firm".*

10. EG 9.5.1 states that where the Authority is considering whether to make a prohibition order against someone who is not an approved person, the Authority will consider the severity of the risk posed by the individual and may prohibit him where it considers that it is appropriate to achieve one or more of the Authority's statutory objectives.
11. EG 9.5.2 provides that, when considering whether to exercise its power to make a prohibition order against someone who is not an approved person, the Authority will consider all the relevant circumstances of the case. These may include, but are not limited to, the factors set out in EG 9.3.2.

### **Fit and Proper Test for Employees and Senior Personnel**

12. The Authority has issued guidance on the fitness and propriety of individuals in FIT.
13. FIT 1.3.1BG states that the most important considerations when assessing the fitness and propriety of a person will be the person's: (1) honesty, integrity and reputation; (2) competence and capability; and (3) financial soundness. A person only has to be deemed lacking in one of the three areas in order to be deemed not to be fit and proper.
14. FIT 2.1.1G states that in determining a person's honesty, integrity and reputation, the Authority will have regard to all relevant matters including, but not limited to, those set out in FIT 2.1.3G. The FCA will consider the circumstances only where relevant to the requirements and standards of the regulatory system. It states (referring specifically to an application for approval, though still applicable in the present context) that:

*"... conviction for a criminal offence will not automatically mean an application will be rejected. The [Authority] treats each candidate's application on a case-by-case basis, taking into account the seriousness of, and circumstances surrounding, the offence, the explanation offered by the convicted person, the relevance of the offence to the proposed role, the passage of time since the offence was committed and evidence of the individual's rehabilitation."*

15. FIT 2.1.2G states *"...the [Authority] will look at whether the person's reputation might have an adverse impact upon the firm for which the controlled function is or is to be*

*performed and at the person's responsibilities."*

16. FIT 2.1.3G(1) states that the Authority will have regard to matters, including but not limited to *"whether the person has been convicted of any criminal offence (our emphasis)....particular consideration will be given to offences of dishonesty, fraud, financial crime or an offence under legislation relating to companies, building societies, industrial and provident societies, credit unions, friendly societies, banking, other financial services, insolvency, consumer credit companies, insurance, consumer protection, money laundering, market manipulation and insider dealing, whether or not in the United Kingdom."*
17. FIT 2.1.3G(4) states that the Authority will have regard to matters, including but not limited to *"...whether the person is or has been the subject of any proceedings of a disciplinary or criminal nature, or has been notified of any potential proceedings or of any investigation which might lead to those proceedings".*
18. FIT 2.1.3G(13) states that the Authority will have regard to matters, including but not limited to *"...whether, in the past, the person has been candid and truthful in all their 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."*