
FINAL NOTICE

To: **Sophie Clements (trading as Essex Approved Cars)**

FRN: **630118**

Address: **Unit 224
Cromar Way
Chelmsford
Essex
CM1 2QE**

Dated: **25 April 2018**

ACTION

1. For the reasons set out in this Final Notice, the Authority hereby takes the following action against Ms Clements.
2. The Authority gave Ms Clements the Decision Notice, which notified Ms Clements that, for the reasons given below and pursuant to section 55J of the Act, the Authority had decided to cancel the permission granted to Ms Clements under Part 4A of the Act.
3. Ms Clements has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was given to her.
4. Accordingly, the Authority has today cancelled Ms Clements's Part 4A permission.

DEFINITIONS

5. The definitions below are used in this Final 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 to Sophie Clements on 14 February 2018;
 - "DEPP" means the Authority's Decision Procedure and Penalties Manual;
 - "EG" means the Authority's Enforcement Guide;
 - "the Handbook" means the Authority's Handbook of rules and guidance;
 - "the Principles" means the Authority's Principles for Businesses;
 - "the suitability Threshold Condition" means the threshold condition set out in paragraph 2E of Schedule 6 to the Act;
 - "SUP" means the section of the Authority's Handbook entitled 'Supervision Manual';
 - "the Threshold Conditions" means the threshold conditions set out in Schedule 6 to the Act;
 - "the Tribunal" means the Upper Tribunal (Tax and Chancery Chamber);
 - "Ms Clements's Part 4A permission" means the permission granted by the Authority to Sophie Clements pursuant to Part 4A of the Act; and
 - "the Warning Notice" means the Warning Notice issued to Sophie Clements on 24 January 2018.

RELEVANT STATUTORY PROVISIONS

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

SUMMARY OF THE REASONS

7. On the basis of the facts and matters and conclusions described in the Warning Notice, and in the Decision Notice, it appears to the Authority that Ms Clements is failing to satisfy the suitability Threshold Condition, in that the Authority is not satisfied that Ms Clements is a fit and proper person having regard to all the circumstances.
8. Ms Clements has failed to notify the Authority of a change in the address and telephone number of her principal place of business and has failed to deal openly and co-operatively with the Authority (in not providing up-to-date contact details).

FACTS AND MATTERS

9. Ms Clements was authorised by the Authority on 12 September 2014 to conduct consumer credit business.
10. Correspondence sent by the Authority 5 June 2017 and 14 December 2017 to Ms Clements at the postal address last notified by Ms Clements to the Authority as Ms Clements's principal place of business was returned to the Authority marked "*addressee gone away*".
11. Correspondence sent by the Authority on 5 June 2017, 6 October 2017 and 14 December 2017 to Ms Clements using the email address last notified by Ms Clements to the Authority was returned to the Authority undelivered.
12. The Authority attempted to contact Ms Clements on 6 June 2017 on the last telephone number Ms Clements provided to the Authority. However, the call was answered by an individual from another company, who informed the Authority that Ms Clements no longer occupied the address she had last notified to the Authority as her principal place of business.
13. Accordingly, it appears to the Authority that Ms Clements has failed to notify the Authority of a change in the address and telephone number for her principal place of business.

FAILINGS

14. As set out in the facts and matters described above, the Authority has made repeated unsuccessful attempts to contact Ms Clements using the postal address, email address and telephone number held by the Authority in relation to Ms Clements.
15. The Authority has concluded, on the basis of the facts and matters described above, that:
 - a. Ms Clements has failed to notify the Authority of a change in the address and telephone number of her principal place of business contrary to SUP 15.5.4R(1) and SUP 15.5.5R(1) respectively;
 - b. Ms Clements has failed to deal openly and co-operatively with the Authority in breach of Principle 11 (Relations with regulators) of the Principles (by not providing up-to-date contact details);
 - c. Ms Clements has not demonstrated that she is ready, willing and organised to comply with the requirements and standards under the regulatory system, namely the requirements in SUP 15.5.4R(1) and SUP 15.5.5R(1) to give the Authority reasonable advance notice of a change in the firm's principal place of business and telephone number, and the date of the change;
 - d. Ms Clements has therefore failed to satisfy the Authority that her business is being managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner or that she is a fit and proper person having regard to all the circumstances;
 - e. Ms Clements is therefore failing to satisfy the suitability Threshold Condition in relation to her permitted regulated activities,

and accordingly, Ms Clements's Part 4A permission should be cancelled.

DECISION MAKER

16. The decision which gave rise to the obligation to give this Final Notice was made by the Regulatory Decisions Committee.

IMPORTANT

17. This Final Notice is given to Ms Clements in accordance with section 390(1) of the Act.

Publicity

18. The Authority must publish such information about 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 Ms Clements or prejudicial to the interests of consumers.
19. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contact

20. For more information concerning this matter generally, Ms Clements should contact Tania Dratcu at the Authority (direct line: 0207 066 6764).



Anna Couzens
Enforcement and Market Oversight Division

ANNEX

RELEVANT STATUTORY PROVISIONS

1. Section 55J(1) of the Act provides that the Authority may cancel a firm's Part 4A permission where, amongst other things—

“it appears to the [Authority] that—

- (a) [the firm] is failing, or is likely to fail, to satisfy the threshold conditions ...;

[...].”

2. The suitability Threshold Condition provides:

“[The firm] must be a fit and proper person having regard to all the circumstances, including—

[...]

- (d) whether [the firm] has complied and is complying with requirements imposed by the [Authority] in the exercise of its functions, or requests made by the [Authority], relating to the provision of information to the [Authority] and, where [the firm] has so complied or is so complying, the manner of that compliance;

[...]

- (f) whether [the firm's] business is being, or is to be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner

[...].”

RELEVANT HANDBOOK PROVISIONS

3. In exercising its power to cancel a Part 4A permission, the Authority must have regard to guidance published in the Handbook and in regulatory guides, such as EG. The relevant main considerations in relation to the action specified above are set out below.

Relevant Principle

4. Principle 11 (Relations with regulators) of the Principles (PRIN 2.1.1R) provides:

“A *firm* must deal with [the Authority] in an open and cooperative way, and must disclose to [the Authority] appropriately anything relating to the *firm* of which [the Authority] would reasonably expect notice.”

Relevant Rules

5. SUP 15.5.4R provides:

“A *firm* must give the [Authority] reasonable advance notice of a change in any of the following addresses, and give details of the new address and the date of the change:

(1) the *firm's* principal place of business in the *United Kingdom*;

[...]."

6. SUP 15.5.5R provides:

"A *firm* must give the [Authority] reasonable advance notice of a change in any of the following telephone numbers, and give details of the new telephone number and the date of the change:

(1) the number of the *firm's* principal place of business in the *United Kingdom*;

[...]."

Guidance concerning the suitability Threshold Condition

7. Guidance on the suitability Threshold Conditions is set out in COND 2.5.
8. COND 2.5.2G states that the Authority will take into consideration anything that could influence a firm's continuing ability to satisfy the threshold conditions set out in paragraph 2E of Schedule 6 to the Act.
9. COND 2.5.6G states 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, the suitability Threshold Condition include whether:
- the firm has been open and co-operative in all its dealings with the Authority and is ready, willing and organised to comply with the requirements and standards under the regulatory system (COND 2.5.6G(1));
 - the firm has contravened, amongst other things, the provisions of the regulatory system, which include the Principles and other rules (COND 2.5.6G(4)).

OTHER RELEVANT REGULATORY PROVISIONS

10. The Authority's policy in relation to its enforcement powers is set out in EG, certain provisions of which are summarised below.

Cancelling a firm's Part 4A permission on the Authority's own initiative

11. EG 8.5.1(1) states that the Authority will consider cancelling a firm's Part 4A permission using its own initiative power contained in section 55J of the Act in circumstances where the Authority has very serious concerns about the firm, or the way its business is or has been conducted.
12. EG 8.5.2 provides examples of the types of circumstances in which the Authority may cancel a Part 4A permission. One such example is the failure to provide the Authority with valid contact details or failure to maintain the details provided, such that the Authority is unable to communicate with the firm (EG 8.5.2(6)).