
From: Freedom of Information
Sent: 03 April 2013 16:18
To:
Subject: FOI2897: FOI Request

Our Ref: FOI2897

Dear

Freedom of Information: Right to know request

Thank you for your request for information under the Freedom of Information Act 2000 (the Act), received by the Financial Services Authority (now succeeded by the Financial Conduct Authority - FCA), for the following information relating to the authorisation of the sale of Northern Rock equity release mortgage accounts.

'I request FSA provide me with information pertaining to the FSA's authorisation of the sale of Northern Rock Asset Management (NRAM) mortgages to Papilio UK Equity Release Mortgages Limited (JP Morgan) (Papilio).

Please provide the following information:

(i) The date on which the FSA authorised the sale of NRAM mortgages to Papilio? And the precise dates of the sale and subsequent complete transfer of accounts to Papilio?

(ii) The details setting out the reasons the FSA did not require JP Morgan (Papilio) to obtain a licence to operate the mortgage account of UK mortgage account holders, and thus did not issue a licence to operate the mortgage accounts (resulting in all Regulatory Protection being removed from UK account holders)?

(iii) The details setting out the reasons the FSA authorised the sale of Northern Rock mortgage accounts to JP Morgan (Papilio) in light of the sale resulting in significant changes (detriments) to the terms on which the mortgages were initially taken out?'

Your request has now been considered. Detail of the date on which Northern Rock Plc sold the beneficial interest in Lifetime Mortgage Contracts to JP Morgan Chase Bank can be found on NRAM's website at: <http://www.nram.co.uk/en/company-information/corporate-communications/newsroom/newsroom-2008/2008-01-11.aspx>.

I can also confirm that Legal Title to some of these loans was transferred on 26 March 2012.

However, following a search of our paper and electronic records, we do not hold the remainder of the information you are seeking. This is because the transfer of mortgage titles (business assets) is a commercial decision and therefore no express approval was required by the FSA or the courts.

As part of this agreement, NRAM maintained the servicing and administration of accounts on behalf of JP Morgan until transfer of legal title in 2012. At this point NRAM transferred the servicing and administration of relevant accounts to an administrator who is regulated and authorised to administer regulated mortgage contracts on behalf of Papilio.

Yours sincerely

Information Access Team / Finance and Operations



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