

## Warning notice statement 14/10

The Financial Conduct Authority (the FCA) gave an individual a warning notice on 24 March 2014 proposing to take action in respect of the conduct summarised in this statement.

**IMPORTANT: a warning notice is not the final decision of the FCA. The individual has the right to make representations to the Regulatory Decisions Committee (RDC) which, in the light of those representations, will decide on the appropriate action and whether to issue a decision notice. The RDC is a Committee of the FCA board which decides whether the FCA should give certain statutory notices described as within its scope by the FCA's Handbook.**

**If a decision notice is issued, the individual has the right to refer the matter to the Upper Tribunal which would reach an independent decision on the appropriate action for the FCA to take, if any.**

**If either the RDC or the Upper Tribunal decides that no further action should be taken, the FCA will publish a notice of discontinuance provided it has the individual's consent.**

The following is a summary of the reasons why the FCA gave the individual a warning notice:

- The FCA considers that the individual, who was a director of an appointed representative ("AR") of an FCA-authorized firm, breached Statement of Principle 1 when carrying out the significant influence function of CF1 (Director) of the authorised principal, with responsibility for the AR.
- In particular, the FCA considers that the individual:
  - deliberately involved the AR in promoting and arranging certain UCIS, in breach of its agreement with its principal which did not permit it to conduct UCIS business; and
  - recklessly devised a structure and participated in a process for promoting and arranging the UCIS that was likely to provide false assurance to customers and others that the AR's involvement was authorised.
- The FCA considers that the individual's conduct demonstrates a lack of integrity.