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Addendum – 5 March 2026

This Final Report was issued on 14 April 2025 and amended on 5 March 2026 at paragraph 30 and 61 to ensure factual accuracy. For the avoidance of doubt, the correction is not material to the Commissioner’s decision.

14 April 2025

Final report by the Complaints Commissioner**Complaint number 202300456**

1. Following a complaint to the FCA, on 15 September 2023, you asked my office to review a complaint about the FCA's involvement in matters connected to Amyma Limited ("Amyma" or "the Firm"). Amyma, amongst other things, marketed a fixed-rate bond with Asset Life PLC ('Asset Life') to you, in which you invested. To resolve your complaint, you would like the FCA to compensate you for your losses.

Executive Summary

2. The FCA's engagement with Amyma was neither reasonable nor effective overall. I uphold this complaint. I do not, however, uphold your request for compensation.

The FCA's involvement with Amyma whilst it was unregulated (2016-2018)

3. The FCA's actions regarding Amyma during this period were inadequate for the following reasons.
4. The FCA became aware, as early as 2016, including through consumer and firm notifications, of allegations that Amyma was unlawfully engaging in activities that breached the Financial Services and Markets Act 2000 (FSMA). Specifically, it was alleged that Amyma was advising on and promoting certain investments in breach of FSMA 2000 ("FSMA") — two of which, Bond A and Bond B, are mentioned below—without proper authorisation, effectively, it was suggested, operating as a boiler room. Despite this knowledge, the FCA failed to take timely and effective action to prevent Amyma from continuing to market high-risk investments, resulting in consumer harm.

5. The FCA should have taken a more pro-active approach, from early 2017, in ensuring that the Firm was either conducting its activities in a legally compliant manner, or ceased carrying out those activities, in order to protect consumers (including vulnerable groups, some of whom were pensioners).
6. Although the FCA initiated an enquiry into Amyma in January 2017, it initially focused only on the promotion of Bond A. Despite recognising broader concerns, it is unclear from the file whether the investigation was formally extended to cover the separate concerns. In June 2017, the initial enquiry was folded into a [separate] inquiry that did not encompass other issues with Amyma. In July 2017, the FCA closed this separate investigation, citing concerns over a third-party investigation, but without providing a clear rationale why it could not continue monitoring the firm with respect to activities not covered by the external investigation.
7. The closure of the FCA's enquiry and investigation was unreasonable and allowed Amyma to continue its harmful activities, resulting in ongoing consumer detriment. Although the FCA subsequently opened a new enquiry into Amyma in January 2018, this was ineffective in preventing further consumer harm until that too was closed towards the middle of that year without having prevented further consumer harm.
8. The FCA failed to give sufficient weight to information provided to it about Amyma and, in particular, the potential for consumer harm, or to consider properly what could have been done to prevent it.

The FCA's handling of the notification of Amyma's registration as an AR and the related Approved Person applications

9. The FCA's handling of the notification of Amyma's registration as an AR and its processing of the approved person applications in respect of individuals within the Firm was inadequate for the following reasons:
 - a. The FCA handled the information it received about the Firm in isolation, rather than developing a comprehensive understanding of the key risks associated with Amyma and proactively following up on the information it had gathered.

- b. The departments responsible for receiving and evaluating intelligence did not efficiently or promptly share relevant information regarding Amyma. For instance, the FCA had significant concerns about Amyma, leading the UBD and Financial Promotions teams to take action against the Firm in 2018. However, due to inadequate internal information sharing, Amyma was ultimately registered as an AR by the Authorisations department despite these concerns.
 - c. The FCA missed opportunities to exercise sound judgment throughout its engagement with Amyma during this period. For example, while it expressed concerns about Amyma to the Principal, it did not apply sufficient pressure to challenge the Principal's insistence on proceeding with the application. It also approved the approved persons application for Amyma without robust scrutiny despite being on notice about additional concerns regarding the individuals involved. Had the FCA declined these applications, Amyma would have been unable to conduct regulated activities as an AR.
 - d. The FCA failed to recognise the significance of the increasing number of red flags that signalled serious issues in relation to Amyma and did not take effective action in response.
10. In conclusion, the FCA's failings above meant that Amyma was able to continue to sell high-risk, unregulated investments to consumers, later with the added legitimacy of being an AR. I recommended the FCA respond on what measures it proposes to take to reduce the harm of ARs and improve its overall supervision of them. The FCA has accepted my recommendation to respond. Its response is in Appendix 1, in so far as I am able to disclose it.

Remedy

11. I do not agree that the FCA ought to compensate you as requested: given the specific findings in this case, the correct avenue for you is to seek compensation through the Financial Services Ombudsman (FOS) or the Financial Services Compensation Scheme (FSCS), as the case may be, which will decide the complaint on compensation. I note that you have done so and are awaiting a decision on compensation.

The Complaint

What your FCA complaint is as follows.

12. You complained to the FCA about:
 - a. The FCA's role in dealing with Amyma:
 - i. When it was unregulated (during which time you made your initial investment in Asset Life); and
 - ii. for allowing it to become an Appointed Representative (AR) of Firm X in 2018, which you state legitimised Amyma's activities and allowed it to continue inflicting harm on consumers. During this time, you complain that Amyma persuaded you to roll over your investment in Asset Life;
 - b. The FCA's oversight of Firm X in relation to its dealings with Amyma. You allege that it failed to act on intelligence received about Amyma in 2017 that should have resulted in the FCA preventing Amyma from being appointed as an AR of Firm X and from marketing to and, possibly, advising retail investors.
13. The remedy you requested from the FCA was compensation of £4,000, which is the amount you lost following what you alleged was Amyma's advice not to redeem your initial investment but to roll it over and reinvest it into Asset Life during the period Amyma was an AR of Firm X.

What the regulator decided

14. The FCA explained that it had acted on information about Amyma in April 2017 but there were *"valid internal and external factors which meant that the [Unauthorised Business Department "UBD"] closed their investigation in July 2017 and could not take any further action against Amyma after"* that. Therefore, the FCA did not uphold this element of your complaint.
15. The FCA partially upheld your complaint in connection with Amyma's registration as an AR. It said this is because, during its handling of the notification of Amyma becoming an AR *"the departments involved in receiving and assessing intelligence should have shared relevant information in respect of Amyma earlier and more effectively."*

16. The FCA deferred your complaint about its actions in relation to Firm X.
17. The FCA declined to award you compensation.

Why you are unhappy with the regulator's decision

18. You are unhappy that, despite being told that Amyma were targeting pensioners with unsuitable investments as early as March 2017 (as far as you are aware), the FCA seemingly did nothing to prevent Amyma's activities and allowed the Firm to become an AR of Firm X in 2018, enabling Amyma to continue promoting unsuitable investments until September 2019. Thus, you say, causing consumer harm.
19. You say that, when you first complained to the FCA, it was only about the loss of £4,000 in the [Asset Life] bond as described above. However, you have since found out that most of the other investments you made through Amyma in 2017 – 2019, totalling almost £70,000, and which were also unsuitable in your opinion, have also failed. You now wish to be compensated for the whole amount of your losses.
20. In relation to Firm X, this complaint element was deferred by the FCA for reasons it explained to you. Once the FCA is in a position to review this element of your complaint and issue a decision letter, you may refer it to me if you are not satisfied with the outcome.
21. In order to be able to address your concerns fully, I have divided them into three Elements as follows:
 - a. *Element One - The FCA's involvement with Amyma whilst it was unregulated (2016-2018);*
 - b. *Element Two - The FCA's handling of the notification of Amyma's registration as an AR and the related Approved Person applications;*
 - c. *Element Three – Remedy.*

Preliminary Points

22. Like the FCA, I am subject to s348 of FSMA as well as other confidentiality restrictions. This means that sometimes I cannot report fully on the confidential

material to which I have access, including some matters in this case. However, as part of the Complaints Scheme, I have access to the FCA's complaints papers, including confidential material. This is so that I, as an independent person, can see whether I am satisfied that the FCA has behaved reasonably.

23. Sometimes this means that all I can say to complainants is that having studied the confidential material is that I have formed a view on the appropriateness or otherwise of the FCA's behaviour, but I am unable to give further details. This can be frustrating for complainants, but it is better that I am able to see the confidential material and to allow me to make an informed view.

Background

24. I have set out below the timeline of your relationship with Amyma:

- Early 2017 - you made online enquiries about investment opportunities, and, in response, you were contacted by Amyma. Amyma promoted and, you allege, advised on various bonds, including Asset Life, Blackmore, Diamond and LCF, whilst it was itself unregulated;
- Later in 2017 – you state that, on the basis of Amyma's advice, you invested in both Imperial Corporate and NQ Minerals and subsequently in other unregulated bonds;
- Amyma then allegedly advised you to invest in bonds with Asset Life PLC ('Asset Life');
- In July 2018 Amyma became an AR of Firm X. After this, it continued to market, and you say, advise on, unregulated products;
- You made an initial investment of £2000 in an Asset Life bond in October 2017. (You redeemed this on its maturity in October 2018);
- You state that you were advised to make a second investment of £4000 in an Asset Life bond in November 2017. This was due to mature in November 2018. In 2018, when you attempted to redeem your investments, you alleged that Amyma persuaded you to roll over the investment amount, such that it then become repayable in 2019. However, you did not get your money back as Asset Life went into liquidation before the new maturity date;

- Amyma also allegedly advised you to invest much higher sums, amounting to around £70,000 in other regulated bonds around this time. However, you were unable to redeem these investments, we understand for similar reasons.
 - You have attempted to recover your losses from Asset Life, Amyma and Firm X but you have been unsuccessful;
 - You first invested in Asset Life following Amyma’s direct marketing in 2017. At that time, neither Amyma nor Asset Life and its bonds were regulated. This means you could not benefit from the protections of either the Financial Ombudsman Service (FOS) or the Financial Services compensation Scheme (FSCS) in relation to this investment; and
 - You did refer your complaint about Firm X in relation to the investments that took place when it was an Appointed Representative to the FOS and it is my understanding from your response to my Preliminary Report that you also raised a number of other complaints related to Amyma, some or all of which have now been referred to the FOS.
25. In September 2020, you say you came across an article in the Independent, in which it was reported that concerns about Amyma “*targeting pensioners and unsophisticated investors using high-pressure tactics*” and making “false and misleading statements” were brought to the FCA’s attention in 2017.”
26. On 8 September 2020 you submitted a complaint to the FCA, on which you received a decision on 12 September 2023. The FCA has apologised for the delay.

My analysis

Element One - The FCA’s involvement with Amyma whilst it was unregulated (2016-2018)

27. The FCA became aware, as early as 2016, including through consumer and Firm notifications, of allegations that Amyma was unlawfully engaging in activities that breached the FSMA.
28. In response to two notifications regarding Amyma’s potential breach of Section 21 FSMA— in December 2016 and January 2017—the FCA opened an

enquiry into Amyma (the “Amyma Enquiry”) in January 2017. The FCA maintains that this enquiry focused on Amyma’s promotion of a specific bond, Bond A, which may have been in breach of Section 21 FSMA.

29. Despite the Amyma Enquiry being focused on Bond A, the FCA continued to receive consumer queries and notifications, including from another firm, suggesting that Amyma was engaging in unlawful activities beyond Bond A. These concerns involved other bonds, including Bond B (which was a known concern to the FCA) and indicated broader and more serious issues with Amyma.
30. These notifications included a notification in March 2017 (the “March 2017 Notification”), from a member of the public who informed the FCA that they had overheard representatives of the Firm engaging in what they described as “boiler room” activities. According to the report, the Firm was targeting consumers, including pensioners—some of whom were vulnerable—through daily telephone calls, making false claims about several named bonds, including Bond B. The Firm allegedly promised guaranteed fixed returns and falsely assured consumers that their capital was “guaranteed by one of the world’s biggest banks”. Additionally, it was claimed that the Firm encouraged investors to self-classify as sophisticated investors as High Net Worth individuals and falsely stated that it was in the process of obtaining FCA authorisation however the member of the public claimed that Firm members laughed to each other when anyone made that assertion on the phone.
31. As a result of the March 2017 Notification, the FCA also became aware that individuals of concern—already known to the FCA—were involved in Amyma’s management structure.
32. In April 2017 the part of the Amyma Enquiry related to “Bond A” (issued by Firm Z) was incorporated into a larger investigation conducted by the FCA’s Unauthorised business Division (UBD), described here as the “UBD Investigation.”
33. The scope of the UBD Investigation, however, was confined to Bond A, issued by a specific firm, and its promotion by various entities, including Amyma, to UK consumers.

34. The Ayma Enquiry was then closed in June 2017. This decision was made despite concerns about Ayma's broader activities (including in relation to different bonds such as Bond B), which fell outside the UBD Investigation's scope, and including and despite certain individuals of concern to the FCA being connected to the Firm's management structure.
35. The UBD Investigation was itself then also closed by the FCA in July 2017, after it was discovered that a law enforcement agency was investigating a separate matter related to Bond A (the "External Investigation"). An agreement was made to close the UBD Investigation, according to the FCA, to avoid interfering with the External Investigation. This decision was made despite the fact that the External Investigation had a limited scope and did not focus on the concerns about Ayma's activities as a promoter as well as any broader concerns beyond matters connected to Bond A.
36. The result of this was that effectively the FCA ceased to monitor Ayma in July 2017 despite being on notice about serious concerns of consumer detriment as outlined above. Ayma was able to continue its activities.
37. In my view, the FCA failed to act appropriately in ceasing to monitor Ayma for the following reasons.

Ayma Enquiry

38. The Ayma Enquiry revealed significant potential consumer harm caused by the Firm, which extended beyond the original focus of the enquiry—Ayma's promotion of a specific bond, Bond A. It was clear to the FCA that Ayma's concerning activities extended beyond bond A. Indeed, the documents relating to the closure of the Ayma Enquiry refer to these wider activities. While merging the review of Bond A with the UBD investigation, which was addressing the promotion of Bond A by various entities, may have been appropriate, I have not seen any substantiated rationale in the records explaining why the FCA ceased investigating the remaining serious concerns about Ayma and ultimately closed the enquiry.
39. The FCA has now said, as part of its current complaint investigation (some years after the fact), that it is unlikely that the notifications it had at the time, including the March 2017 Notification would have provided sufficient criteria to

warrant continuing the investigation for a number of confidential reasons, which I can not disclose in this report.

40. I understand that UBD handles a significant volume of reports each year and faces difficult decisions in a high-pressure environment. However, in this case, when the FCA decided to close the Ayma Enquiry, it had clear intelligence indicating that Ayma, a company led by individuals previously flagged as of concern within the FCA, was operating a boiler room. Additionally, the information about this alleged activity came from a former FCA-approved person, not just an uninformed member of the public.
41. Whilst noting the pressures on the FCA's resources, it does not appear to be reasonable to suggest that once the part of the Ayma Enquiry related to Bond A was incorporated into the larger UBD investigation, the remaining serious concerns about the conduct of the Firm did not warrant further consideration.

The UBD Investigation

42. The UBD Investigation and the External Investigation were specific, limited in scope and did not cover the wide range of serious concerns about Ayma which the Ayma Enquiry had recorded. In particular, the External Investigation did not cover the actions of Ayma as a promoter, and the concerns about bonds other than Bond A.
43. The FCA wrote in its decision letter that *"there were valid internal and external factors which meant that the FCA could not take any further action regarding Ayma after closing the UBD Investigation in July 2017. Although I cannot provide precise details due to confidentiality restrictions, these factors pertained to the risk of prejudice to the law enforcement agency's investigation relevant to Ayma as well as the FCA's internal processes."*
44. However, I have not seen a clear contemporaneous record providing a reasonable rationale for why all aspects of the UBD investigation into Ayma were closed in July 2017. For example, while the FCA was correct in avoiding interference with the External Investigation, it chose to continue monitoring the activities which were unrelated to the External Investigation of two other promoters. This was despite the fact that their activities related to Bond A had

already been incorporated into the External Investigation. In other words, the FCA deemed it appropriate to monitor the activities of other firms linked to the External Investigation when new, unrelated concerns emerged, with action being taken where necessary, and it was not believed at the time that such actions would interfere with the other investigations.

45. I view this as evidence that the External Investigation was not a prohibitive factor in continuing to investigate Amyma.
46. Given this, the FCA has not made out the case either contemporaneously, or now, that it sufficiently took into account all the relevant information available to it at the time and that it was reasonable to cease reviewing the activities of Amyma in June or July 2017. For these reasons, I **uphold** this element of complaint.
47. I note that the FCA did subsequently open a new enquiry into Amyma in January 2018, some six months after the closure of the UBD Enquiry (and all related investigations). The existence of the External Investigation was obviously not a concern when it did so; i.e. it was not a barrier to investigating Amyma in relation to other products. In my view, neither should it have been in 2017.
48. I cannot say what would have happened had the FCA continued with its inquiry into Amyma in the months between June / July – December 2017, however, it is possible that it may have led it to take some form of action, potentially resulting in less harm to consumers.

Element Two - The FCA's handling of the notification of Amyma's registration as an AR and the related Approved Person applications

49. The FCA “partially upheld” this part of your complaint, in so far as it related to information sharing within the FCA prior to Amyma being registered as an AR. It stated that *“the departments involved in receiving and assessing intelligence should have shared relevant information in respect of Amyma earlier and more effectively.”* However, it did not uphold the complaint that Amyma should not have been approved as an AR.
50. The FCA made the point in its Decision Letter that it does not approve ARs *“because the appointment of an entity as an AR is made, for the purposes of*

section 39 FSMA, by the conclusion of a contract between the AR and the principal.”

51. It is correct that Principals appoint their own ARs and are responsible for carrying out due diligence and ensuring that the ARs comply with all regulatory requirements. It is also Principals that are subject to Supervisory and/or Enforcement action, should issues crystallise in relation to an AR.
52. However, in cases where the FCA was not satisfied with the appointment of an AR by a Principal, it had the power to take a number of different actions including:
 - (a) The FCA could escalate the case for enhanced assessment via the Regulatory Transactions Committee (which potentially had the power to refuse the AR notification in extremely rare circumstances)¹;
 - (b) In instances where the FCA received additional information, including, for example, adverse intelligence, it could choose to discuss this with the Principal (subject to section 348 of FSMA) which could lead to the Principal not entering or terminating the agreement;
 - (c) The FCA could address concerns about the AR by taking them up with the relevant Principal including, through the use of a “Voluntary Application for Imposition of Requirements” or an “Own-Initiative Variation or Requirement” into the Principal where necessary;
 - (d) The FCA could also consider whether it may be appropriate in the circumstances to exercise its power under section 166 FSMA to require a Firm to obtain a report from an independent Skilled Person issues of concern.
53. In the case of Ayma, the FCA had serious concerns such that UBD and the Financial Promotions teams were in the process of taking action against the Firm when it was eventually registered as an AR.

¹ A referral to the Regulatory Transactions Committee was only a power available to the FCA in relation to ARs performing insurance distribution activities. This power did not apply in the case of Ayma.

54. Through one of the options above, the FCA could have prevented Amyma from carrying out regulated activities, whether as an Appointed Representative or otherwise. The FCA took insufficiently robust action with respect to their options above.
55. It seems to me that this issue stemmed, in part, from a failure within the FCA to share information effectively and promptly across its departments. This breakdown in communication led to the Authorisations team not being fully aware of grasping the depth of concern in other areas of the FCA regarding Amyma's activities, and as a result, they were unaware that further action was imminent.
56. Had they understood this, they might have acted differently, such as taking more robust action in line with the steps described above.
57. I note that it took 131 days for the FCA to process the Notification in relation to Amyma's status as an AR. Whilst the FCA was considering this notification, Amyma was not added to the Register. It would therefore have been open to the FCA to continue its review of the notification if it had understood the seriousness of the concerns raised by UBD.
58. Further, while Authorisations had some concerns, which it shared with the Principal, it did not apply enough pressure to challenge the Principal's insistence on continuing with the application. In my view, it should have done so, even without knowing that other departments within the FCA also had concerns.
59. However, having failed to take action at this stage, there was a further opportunity available to the FCA take robust action. After the Principal's AR Notification for Amyma was submitted to the FCA and Amyma was added to the Register, the Approved Persons applications were subsequently submitted. The FCA's Decision Letter states: *"My findings also indicate that the approved persons applications were submitted at a later date following the AR notification and that, in hindsight, these applications could have been more carefully scrutinised."*
60. Despite the FCA being on notice about concerns regarding the individuals involved, the applications were approved within two weeks of submission with

no evidence that sufficient consideration was given to these or the risks posed for consumers. If the FCA had not approved the applications, Amyma would not have been able to carry out regulated activities as an Appointed Representative.

61. Amyma could have commenced regulated activity from the time it was appointed by its principal. However, if approvals from the FCA had not been obtained for the relevant individuals, they would not have been able to legally perform controlled functions. The performance of controlled functions by a person without FCA approval enables the FCA, depending on the circumstances, to take action against both the authorised firm and the individuals, with possible consequences including financial penalties or public censure. While this would not have legally inhibited the appointed representative from conducting regulated activity under its s.39 FSMA exemption, it likely would have delayed the appointed representative being able to conduct regulated activities in a manner fully compliant with relevant rules and regulations.
62. Due to the FCA's failure to communicate effectively between teams and make timely, well-informed decisions using all relevant information, Amyma was able to continue selling high-risk, unregulated investments now with the added legitimacy of being an Appointed Representative. For these reasons, I **uphold** this element of complaint.

Element Three - Remedy

63. I note that you wish to be compensated for the loss suffered as a result of the advice you received from Amyma to invest in Asset Life. Whilst I find that there were significant failings in the FCA's handling of Amyma over a number of years, it is my understanding that the investment of the £4000 which you did not recover from the Firm happened during the period when Amyma was an AR of Firm X.
64. This means that Firm X as the Principal is responsible for reviewing any complaints you have about Amyma.
65. The correct avenue for you to follow based on the specific facts of this case is to submit a complaint to Principal, and failing that, to the FOS, or alternatively,

a claim to the FSCS if the Principal's business has failed. I note your comments in your response to my Preliminary Report about the transfer of your complaints from the FOS to the FSCS. Based on the information available to me, you ought to pursue all avenues available to you and put in place for this purpose, to recover your losses.

66. You have also referred, in your complaint to me, to losses you have incurred related to a range of investments which you allege Aymya introduced or marketed to you and not just Asset Life. You did not raise with the FCA the issue of these wider losses.
67. Under the Scheme, to which both the FCA and I are subject, it is normally preferable for the FCA to conduct its own review of all matters first. Therefore, if you have any new complaint points (such as these wider compensation issues referred to above) you wish to raise, please submit them to the FCA in the first instance. If you are not satisfied with the outcome of those additional points once the FCA issues its decision letter, you can refer it to me at that stage. I am, therefore, unable to review any matters other than the one which was the subject of your complaint to the FCA. You have confirmed that you referred this matter to the FCA as a new complaint.

The Complaints Commissioner

Complaints Commissioner

14 April 2025

Appendix 1

We have explained the significant work we have carried out to reduce the harm caused by ARs as outlined in our note of 28 November 2024.

We would also like to highlight the operational changes we have made to how we work in our Authorisations Division when assessing applications for Approved Persons at ARs. Prior to 2019, where there was adverse intelligence held in relation to an application for an Approved Person at an AR and / or disclosures were made by the principal Firm or individual, a desk-based review of the application was undertaken by the Non-Routine Individuals (NRI) Team.

From 2019, the NRI team was absorbed following a departmental restructure with a range of applications being dealt with across teams on a Firm portfolio structure aligned with the structure of FCA Supervision.

From 2022, AR notifications and Approved Persons applications are all dealt with by the AR teams now within our Consumer Investment and Appointed Representatives Authorisations department. The AR teams adopt a holistic approach so that any concerns relating to either the AR or the associated approved persons are considered together by case officers familiar with the business model and in close liaison with Supervision's AR Department.

The AR teams are now able to deal with those cases that were previously escalated to the NRI team. Decisions are made within the current risk tolerance framework and formal process guides, taking an assertive approach in line with the FCA's statutory objectives and wider collaboration with other departments and stakeholders. Despite our internal organisational changes, it remains that the FCA has no formal powers to stop a principal Firm notifying us of an AR and we also have no direct information gathering powers of an AR's activities.