

29 October 2024

Final report by the Complaints Commissioner**Complaint number 202400199***The complaint*

1. On 3 June 2024 you submitted a complaint about the FCA to my office.
2. Your company was an appointed representative (AR) of two principals which terminated their contract with you for different reasons. You have two complaints connected to this:

Commissions

3. You allege that your most recent principal Y withheld commissions from you after the termination of the contract. This is not something I can investigate under the Complaints Scheme (for more details about the remit of the Complaint Scheme please visit <https://www.fca.org.uk/publication/corporate/complaints-scheme-november-2023.pdf>). You have asked me who can investigate this. As you are referring to a business to business contractual dispute you should consider seeking legal advice regarding your options. Alternatively you may wish to approach the Financial Ombudsman Service who may be able to provide you with additional guidance, including whether it is within their remit to help you in any way.

The FCA's role in connection to firm Y

4. Firm Y informed you that the reason it had terminated its contract with you was "due to new information received from the regulator in relation to a complaint from 2022". You have complained to me that the FCA made no attempt to contact you to have a balanced understanding of the case.

5. I do not uphold your complaint. The FCA's role is to supervise the principal firm, and that firm, in turn, is responsible for ensuring their ARs are acting in line with the FCA's rules and regulations.
6. The FCA has said to you that as part of the FCA's supervision of firms, certain pieces of information may be shared with principals concerning their ARs which is what happened in this case. There is no obligation for the FCA to engage with the AR of the principal: it is for the principal to determine how this information is handled, and how to engage with its AR, given the primary relationship is between principal and AR.
7. From the evidence I have available, I can confirm to you that the FCA has not instructed or advised firm Y on what actions to take with respect to you as AR based on the information it provided to Y. Any actions Y took would have been entirely of its own accord.
8. I do not uphold your complaint for the reasons above.
9. You have raised an additional matter with me, namely that in your view the FCA ought to have raised any issues it may have had with the principal at the point of your recruitment. I appreciate your point, however, whilst I cannot give you any details due to confidentiality reasons, I am satisfied that the FCA acted in a timely manner and there were no avoidable delays from the FCA's side in the way they have acted.
10. During the course of my investigation I identified certain matters on which I liaised with the FCA separately as they have no direct bearing on your complaint. The Complaint Scheme exists not only to put things right by recommending remedies for affected complainants where applicable, but enables me, where appropriate, to make more general recommendations and observations about the operations of the regulators. I have reviewed the FCA responses on these matters and I am satisfied with the FCA's consideration of the matters I brought to its attention.

The Complaints Commissioner

Complaints Commissioner

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