



19 May 2025

Final report by the Complaints Commissioner

Complaint number 202400566

The complaint

1. You allege the FCA's Financial Services Register ('FS Register') incorrectly lists your firm as having been an Appointed Representative ('AR') of Firm X between 11 and 26 September 2024. You allege the fact you were listed as an AR is adversely impacting your firm's business and reputation.
2. To resolve your complaint, you request that the FCA update the FS Register to remove what you allege is the incorrect reference to your firm as having been an AR of Firm X and to reflect your current status as an approved AR of Firm Y.

Background

3. On 26 July 2024, Firm X submitted to the FCA a notification of appointment of your firm as an AR and an application for yourself to hold the CF1 (AR) function. However, on or around the same day, you say that your firm contacted Firm X via email to inform them that it no longer wished to be an AR of Firm X and requested the cancellation of the notification. You state that Firm X confirmed that its notification to the FCA had been "*paused*". You state that you never worked as an AR for Firm X.
4. On 11 September 2024, the FCA completed the processing of Firm X's notification and CF1 function application and your firm became officially listed as an AR on the FS Register.
5. When you realised this, you contacted the Firm. On 26 September 2024, Firm X formally notified the FCA of the termination of its relationship with your firm and the FS Register was updated to reflect this change.

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6. On 11 November 2024, you contacted the FCA to inform it that, despite requesting Firm X to withdraw the notification on 26 July, it failed to do so, resulting in your firm being registered as an AR of Firm X. You clarified that the information on the FS Register regarding your firm was inaccurate and that your firm should never have been listed as an AR of Firm X. The FCA informed you that, as the authorised principal, Firm X had to contact the FCA in order to resolve this issue.

FCA Complaint

7. On 12 November 2024, you submitted a complaint about the FCA under the Complaints Scheme. The FCA described your complaint as follows: *“the FCA have made a mistake as the FS Register is showing incorrect information, as you informed [Firm X] to pause your application, never traded under [Firm X] with any lenders, or did any onboarding with them. Therefore, the FCA should never have registered your firm with [Firm X]. You have said the FS Register page linking your firm to [Firm X] has had a negative effect on your business and caused you to lose 4 clients and £15,000.00 in fees. And clients have said you are not authorised by the FCA, even when you have tried to make these clients aware of the mistake of the FCA.”*
8. The FCA did not uphold your complaint on the basis that *“the FS Register currently shows factually accurate information, which is that your firm were an AR of [Firm X] from 11 September 2024 to 26 September 2024. Therefore, [the FCA] are unable to remove this information from the FS Register.”*

Preliminary Points

9. I should begin by saying that it is not my role to investigate your contractual arrangements with Firm X (nor have you provided them to either the FCA or myself) - This is not a matter that can be resolved under the Complaints Scheme. Neither will I be looking at the actions of Firm X and whether it handled your termination appropriately, especially with respect to its notification to the FCA.
10. My role is to determine whether the FCA handled your complaint and the information you provided it with appropriately.

My analysis

11. In accordance with the FCA's rules, the obligation is on the principal (i.e Firm X) to notify the FCA of the AR status of your firm.
12. The FCA followed the correct process and updated the FS Register based on Firm X's notification, therefore I do not uphold your complaint that it ought not to have updated the FS Register in the way that it did on 11 and then on 26 September 2024.
13. However, that is not the entirety of your complaint. You have said that you terminated your contract with Firm X before the application had been determined by the FCA, and it told you it would 'pause' the application, but seemingly did not. I can see the FCA is on notice that there is no reason to doubt this.
14. In addition, you have also said that you never conducted any activity as an AR of the firm.
15. The remaining question now, is whether there is any action that can be taken by the FCA to provide the remedy you are seeking: for the FS Register to be amended so that your firm is not listed as former AR of Firm X.
16. I provide my views below based on an assumption that the facts of what transpired above are true (however I have not made a determination that they are): i.e. that you terminated your contract properly and before the application had been determined by the FCA; and that Firm X failed to withdraw the application (or failed not to submit it in the first place).
17. The FCA's position is that once a case is determined—such as when it has reviewed the notification for an Appointed Representative (AR) appointment and the associated application for approved persons—the principal firm cannot withdraw the submission. As a result, the FCA says it has no choice but to reflect this on the FS Register. The only way to amend the FS Register, according to the FCA, is for the principal to submit the appropriate forms to terminate the relationship.
18. Based on Firm X's submissions, the FCA maintains that the FS Register correctly reflects your firm's status as an AR of Firm X and your status as an

approved person. This remains the FCA's stance despite its awareness that the contractual relationship between the AR and Firm X ended before the case was determined.

19. I do not agree with the FCA's position.
20. First, I disagree that the FS Register accurately reflects the situation. The principal-AR relationship is established by contract, not merely by the principal's notification to the FCA. In this case, the contract was terminated in July 2024—before the principal submitted the notification, and before the FCA approved it in September 2024. The AR never conducted activities for the principal. Therefore, the FS Register is factually inaccurate.
21. Second, it seems to me that the FCA rules do not appear to address situations like this, where errors arise in the manner they did here. However, while there may be no explicit rule stating the FCA can take alternative action (such as amending the Register), this does not necessarily mean it cannot do so.
22. In my view a situation has arisen whereby a firm is being unfairly penalised for the wrongful actions of its principal, and the FS Register is factually incorrect.
23. I have asked the FCA to give consideration to how this matter can be resolved. In their response, the FCA have reiterated that they *"followed the correct process and what is recorded on the Register is correct."* However, if you can provide evidence showing that the principal made an error in sending the FCA the notification in the first place, they will consider it. In the event you provide evidence to the FCA and still remain dissatisfied with the outcome, you can come back to the OCC for an independent review.
24. Furthermore, the FCA have said that *"..when you search for [your firm] on the internet, two Firm Reference Numbers (FRNs) appear. One FRN shows [your firm] as an AR of Firm X which is 'no longer registered' with the FCA and the second FRN shows [your firm] as an active AR of [Firm Y]. The entry showing [your firm] as 'no longer registered' may have been confusing for those searching online."*
25. *As a solution, we have merged the FRNs so that both current and historical relationships for [your firm] are on FRN XXX. This should now be the only record that appears on the Register and therefore via a search online. The*

Register now displays [your firm] as being a current AR for a different principal Firm Y.

26. *We consider that there should have been only one record for [your firm] on the Register in the first place. We made an error when processing the second AR notification. As a result, we will apologise to [the complainant] and offer £150 for the inconvenience this has caused.”*
27. Whilst I do not uphold your complaint, the FCA’s solution offers a pragmatic resolution to your complaint.

The Complaints Commissioner

Complaints Commissioner

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