

## **Collateral update – 20 May 2025**

The Office of the Complaints Commissioner has received a number of complaints relating to Collateral (UK) Ltd (Collateral). In accordance with our usual practice, when there are multiple parties complaining about the FCA on similar matters, we are proposing to issue one report to all complainants on this case, taking into account the substantive representations of complainants generally.

Under the Complaints Scheme there is a three-month referral period, from the date the FCA issued its decision letter, for complainants to refer their complaints about the FCA's decision to the Complaints Commissioner. On 17<sup>th</sup> December 2024, the FCA issued a decision letter to 346 Collateral complainants. Any of the 346 complainants wishing to refer their complaint to the Complaints Commissioner had until 31<sup>st</sup> March 2025 to do so, setting out where appropriate the reasons for their concerns. By 31<sup>st</sup> March 2025 we had received a large number of complaints with a detailed supporting document.

Around the time of the Decision Letter in December, the FCA said it would continue to accept complaints until 31<sup>st</sup> March 2025. We understand that the FCA has now issued a second Decision Letter to "new complainants". That Decision Letter covered two of the four complaint elements the FCA reviewed in its December 2024 Decision Letter and set out the right of those complainants to complain to the Commissioner within a three-month window. Therefore, the Commissioner will continue to accept complaints made within the three-month referral period outlined in the FCA's recent Decision Letter. This period is likely to end on 30<sup>th</sup> June 2025. As a result of this, the Commissioner is extending the overall deadline for submission of complaints. Therefore, any complainants who received an FCA decision letter in December may also submit complaints and further representations if they choose to do so until 30<sup>th</sup> June 2025.

We understand the FCA has offered a payment of £500 to complainants. Complainants who accept the payment are not precluded from referring their complaint to the Commissioner for an independent review.

Our aim with group complaints is normally to issue a preliminary report on the complaint within 6 months of the complaint referral deadline (in this case 30<sup>th</sup> June 2025), although that will depend on the complexity of the case and some complicated cases can take longer especially where we are waiting for further information from the FCA, as in this case.

In the meantime, we have begun our review of the case and identified some issues which go beyond the matters the FCA included in its 17<sup>th</sup> December 2024 Decision Letter. We have begun discussions with the FCA on these matters. In particular, we are considering the role of the FCA in relation to the establishment and operation of Collateral's material P2P business without authorisation to do so over a substantial period of time. We sent the

FCA some additional queries on 16 May 2025, and we await a response. We will begin our formal investigation once we have received all outstanding information from the FCA.

Any changes to the timetable set out above, for example, due to additional information requests to the FCA and/or the complainants or any other material updates, will be relayed via the updates on this website.