STATEMENT OF WITNESS

Name: Iain Clifford Stamp

Address: The Cross Tree West Street Hambledon Hampshire PO7 4SN

Date of Birth: 31 December 1965

Occupation: Company CEO/Director

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Matters relating to Iain Stamp, Stargate Capital Management (SCM), UK Innovative TI (UKITI) and Integrity Financial Solutions (Integrity)

This statement outlines my assertion that the FSA/FCA have perpetrated a campaign of persecution against me prior to, and following the creditors voluntary liquidation of Integrity Financial Solutions in 2009. The FSA/FCA persecution is deliberate and has prevented me from operating as an approved person within the financial services markets since 2009. I have never been deemed unfit and I am unaware of any reason why I should not have been granted approved person status in five separate applications made to the FSA/FCA since 2009.

I assert that the FSA/FCA have deliberately constructed a framework that excludes me from working with other regulated firms via FSA/FCA unnecessary investigations and persecution to further harm my unregulated businesses and ultimately my own personal resources.

I assert that the FSA/FCA maintain a complicit relationship with Halifax Bank of Scotland who are central to the cause of the deliberate strategy perpetrated by the FSA to force me into putting Integrity into creditors voluntary liquidation.

I further asserted that via the complicit relationship with HBOS the FSA/FCA has protected HBOS from damages claims from circa 400 of HBOS GTEP customers.

I further assert that the FSA's policy of light-touch regulation of the banking sector substantially caused the demise of GTEP product for which Integrity has so far taken the blame.

I further assert that the FSA, primarily via Tom Spender deliberately constructed a framework to blame Integrity as the GTEP product provider and close down five other IFA firms that arranged GTEP products for their role as advisers so as to transfer liability away from HBOS, with in adequate compensation claims being settled by the FSCS.

I further assert that the compensation claims made by the FSCS were made in error on the basis that HBOS and NBS were the GTEP product providers and have maintained solvency to meet claim liabilities.

Since 2010 I have been forced to operate my businesses on an unregulated basis, providing administration and technology services to regulated businesses. This business structure has compromised my ability to earn and brought substantial risk and complexity to my business ventures due to the heavy reliance on my regulated customer firms to stay engaged as customers of my firms, some of my regulated firm customers have resigned from working with my firms due to their fear that they would be investigated by the FSA/FCA. A prime example of the FCA persecution of me is evidenced by the ongoing investigation and effective closure of SCM which followed a letter from my MP to the FCA in November 2016.

A further example of FSA persecution against me is evidenced by FSA investigation into IPM following a letter from my MP in 2010.

The FCA investigation into SCM has ostensibly put SCM out of business, this has caused my business UKITI considerable damages. UKITI developed (at great expense) two software applications that were licensed to SCM, the first software application underwent a seven year development period and was being actively used by SCM to manage its clients funds. The second software application underwent a two year development period and was planned to be used by SCM. UKITI also provided out sourced administration services to SCM.

The FCA have acted in bad faith by publishing speculations in a SCM First Supervisory Notice that names UKITI and its director (which can only be me) by stating that UKITI may have breached the General Prohibition. SCM and I strongly deny this.

Background

Prior to its liquidation, Integrity operated a successful IFA business with a client bank primarily built by referrals from accountants and lawyers. Integrity specialised in holistic financial planning for high net worth individuals and business owners. I acted as the CEO and the firm's principal, CF1. I built the business from a sound and strong personal reputation of honesty, transparency and integrity. I was known for being highly technically capable and developed my client bank based upon liability to bring together existing financial products to achieve the wants and needs of my clients who were mostly high net worth individuals and business owners. I have operated at board level on a number of financial services related companies. My CV is detailed on this link.

http://www.iaincs.com/

A timeline presentation is available on this link.

https://prezi.com/view/CavbzSKNRZrBbkAfh4jH/

Timeline

1. **2001 - 2002** Prior to Integrity Financial Solutions Ltd's ("Integrity") involvement with Halifax Bank of Scotland ("HBOS") and Newcastle Building Society ("NBS"), Integrity and a firm of actuaries (WL Consulting Ltd) carried out comprehensive research into the merits of the HBOS and NBS existing Geared Traded Endowment Policy ("GTEP") products. GTEPs were highly diversified across multiple highly rated UK life companies. The TEPs acquired by the investors at a discount to asset share value. The research concluded that a 3% to 5% per annum (between the investment-driven growth rates of Traded Endowment Policies ("TEPs") and the interest cost of debt funding) differential existed across the 30 year research period if the debt equalled the surrender value of the TEPs at outset. If the debt represented 80% of the surrender value of the policies at outset a differential of 4% to 7% per annum existed. The research concluded that there was a high probability of a continued existence of the differential as its cause was based on economic fundamentals. https://en.wikipedia.org/wiki/With-profits_policy#References (Item 1)

2. The GTEP product was provided by HBOS and NBS for over 10 years prior to Integrity introducing financial planning solutions to the Independent Financial Adviser ("IFA") market. Integrity branded the solutions as the Integrity Maximiser Plan.

3. Other GTEP product providers included RBS, Clydesdale Bank, RBS and Bank of Ireland.

4. Father GTEP introducers to HBOS and NBS include

1. Other firms with similar regulatory status to Integrity introduced similar solutions to the IFA market, with the existing HBOS NBS GTEP as the underlying product. These included Beale Dobie, AAP, First Policy, Neville James, Surrenda Link, Policy Portfolio, IPTC, Shepherds and other smaller firms

2. HBOS and NBS are the GTEP product providers as they performed the following functions, each of which demonstrates their control over their GTEP product. Holding TEPs and single premium bonds (life policies) as security for the lending HBOS and NBS provided, HBOS and NBS held TEPs and single premium bonds under assignment as custodians on behalf of their customers, HBOS and NBS stipulated the types of life policies that could be held under their assignment custody, providing a debt facility from within their custody account to finance the acquisition of additional TEPs for their customers, HBOS and NBS managed the premium payments on the TEPs held within their GTEP product and managed the receipt and credit of maturing life policies from within their GTEP product, HBOS and NBS collected valuations from the TEP and bond life companies on the life policies within their GTEP product.

3. See Coggle map for further evidence on Integrity's role https://coggle.it/diagram/WaPg60pGwwABaeFw/e9c0fb076ec55e459104474add720d7251039683f42a0c4aba665bdabfaf966f

4. By contrast, Integrity specialised in providing solutions (based on existing products including GTEPs from the market) to its own customers as an IFA firm, Integrity's status as an IFA firm is evidenced by its Financial Services Authority ("FSA") regulatory status and permissions and professional indemnity insurance cover and its

customer base, Primarily Integrity could not and did not provide products and should be evaluated on what it did and did not do.

5. **2002** Integrity introduced a range of GTEP financial planning solutions to the IFA market, the solutions were called Integrity Maximiser. The Integrity Maximiser solutions relied upon the existing HBOS and NBS GTEP product design, features and TEP criteria. The product design enabled investors to profit from the differential between the life policy growth rates and interest cost of the GTEP product loan. The solutions did not offer any guarantee that a differential would exist and warned the investors that product loan draw-downs were also not guaranteed.

6. The Maximiser solutions were introduced to external IFA firms for the IFA's to market the HBOS and NBS GTEP product to their own customers who were seeking a solution to their financial planning needs.

7. Integrity could not provide GTEP products due to its FSA regulatory status as an IFA and by the functions it performed. Integrity facilitated transactions on an unregulated basis. Integrity had no ability to provide loans. The FSA/ Financial Conduct Authority ("FCA") define a company by what it does. Integrity performed the functions of "introducer" to HBOS and NBS, provided facilitation and administration services for HBOS and NBS, the external IFA firms and the TEP Factory. Integrity arranged investments as an IFA for 5% of the GTEPs in question for its own customers.

8. The Upper Tribunal in Westwood Financial Planners v FCA

1.1. As the Upper Tribunal put it in ***Westwood*** (at [25]-[26]):

"*The GTEP plan was a single product and recommended to clients as such. The gearing was an important and necessary part of the GTEP plan… it would be wrong to consider the gearing in isolation… the GTEP plan [w]as a single and indivisible product… the gearing had no independent purpose…*"

9. See opinion written by Adam Cloherty (Item 2) re a current group litigation order against HBOS and NBS, the GTEP product providers.

"Given the court's views in ***Westwood*** *(which, ironically, mirrored submissions made by the FCA), it will be difficult for the Banks to sustain this line. The Facilities were at the heart of the Products; the Banks cannot sensibly 'disentangle' the lending element. Mr Stamp takes issue with the "product provider" conclusion in the Integrity Final Notice. This is on the basis that Integrity was not really 'providing' anything: rather, TEP Factory and the Banks were. There is some force in this criticism. The FSA Notice does not explain on what basis it concludes that Integrity was the provider of the Products. Properly understood, although Integrity was promoting or administering significant elements of the Products, it was not actually providing either of the two constituent elements (i.e. the TEPs and the lending). In the language, for example, of "RPPD", the FCA's current guide on the The Responsibilities of Providers and Distributors for the Fair Treatment of Customers, Integrity might perhaps be thought more in the nature of a "distributor" than a "provider" of the Product – although ultimately, and as RPPD*

recognises[1]*, labels are not determinative anyway: one must focus on the actual functions or roles undertaken in a given case. Mr Stamp has also raised a series of other issues about the circumstances surrounding the liquidator's agreement of the Final Notice (and his conduct of the matter generally) which we have not considered for the purposes of this opinion but can do so if and when the point arises.*

In any event, whether or not Integrity was the "product provider" (a term which in the present context is not a term of art and which has no particular regulatory definition) is not really the point: what is under review here is the Banks' obligation to treat Customers fairly. The point for present purposes is that even if Integrity was a "product provider" (by reason that it was responsible for administering one of the two aspects i.e. the TEPs, through TEP Factory) then on the approach in ***Westwood*** *it must, at the very least, equally be the case that the Banks were "product providers" also"*

10. I assert that HBOS and NBS breached the following FSA COBs principals.

COBS 2.1.1 (1) A firm must act honestly, fairly and professionally in accordance with the best interests of its client (the client's best interests rule).

[1] See e.g. §1.15

COBS 2.1.2 A firm must not, in any communication relating to designated investment business seek to:

1. (1) exclude or restrict; or
2. (2) rely on any exclusion or restriction of;

any duty or liability it may have to a client under the regulatory system.

COBS 2.1.3 (2) Guidance also states that “The general law, including the Unfair Terms Regulations (for contracts entered into before 1 October 2015) and the Consumer Rights Act 2015, also limits the scope for a firm to exclude or restrict any duty or liability to a consumer.

COBS 2.2.1 (1) A firm must provide appropriate information in a comprehensible form to a client about:

1. (a) the firm and its services;
2. (b) designated investments and proposed investment strategies; including appropriate guidance on and warnings of the risks associated with investments in those designated investments or in respect of particular investment strategies;
3. (c) execution venues; and
4. (d) costs and associated charges;

so that the client is reasonably able to understand the nature and risks of the service and of the specific type of designated investment that is being offered and, consequently, to take investment decisions on an informed basis.

COBS 2.4.3 (1) If a firm (F) is aware that a person (C1) with or for whom it is providing services is acting as agent for another person (C2) in relation to those services, C1, and not C2, is the client of F in respect of that business.

COBS 2.4.4 (1) This rule applies if a firm (F1), in the course of performing MiFID or equivalent third country business, receives an instruction to perform an investment or ancillary service on behalf of a client (C) through another firm (F2), if F2 is:

1. (a) a MiFID investment firm or a third country investment firm; or
2. (b) an investment firm that is:
1. (i) a firm or authorised in another EEA State; and
2. (ii) subject to equivalent relevant requirements.

(2) F1 may rely upon:

1. (a) any information about C transmitted to it by F2; and
2. (b) any recommendations in respect of the service or transaction that have been provided to C by F2.

(3) F2 will remain responsible for:

1. (a) the completeness and accuracy of any information about C transmitted by it to F1; and
2. (b) the appropriateness for C of any advice or recommendations provided to C.

(4) F1 will remain responsible for concluding the services or transaction based on any such information or recommendations in accordance with the applicable requirements under the regulatory system.

The IFA firms investigated by the FSA for advising on HBOS NBS GTEP products were frustrated due to the deficient compliance framework at HBOS and NBS.

HBOS and NBS have a regulatory responsibility under CONC re their relationship with the distributing IFAs.

Gough Square Chambers Summary

Plevin v Paragon: Summary of Supreme Court decision

CONC 1.2.2

"Of course, as well as imposing a secondary liability on the creditor for acts or omissions by its common law agents, s140A also imposes a primary duty on the creditor with regards to its own acts or omissions. In Plevin the creditor had no primary duty to assess demands and needs itself, as this role had been specifically assigned by ICOB 1.2.3 to the broker (SC's judgment [26]). However, where CONC does not assign liability for a particular duty to a person (X) acting on the creditor's "behalf", CONC 1.2.2(2) R imposes a primary duty on the creditor to "take reasonable steps to ensure" X's compliance. Failure to do so would constitute a breach of CONC and doubtless also create an 'unfair relationship', as this would be something "done or not done" by the creditor (even though X was not acting on its "behalf" for the purposes of s140A)"

https://www.handbook.fca.org.uk/handbook/CONC/1/2.html

11. **2002** Ron Sandler publishes a Review of Long-Term Savings, the gradual effect of this review had a detrimental effect on with profit life insurance industry and in particular together with lower returns on assets culminated in a reduction in policy bonus rates and change to surrender values from smoothed values to spot values. The effect of these two significant changes, which were unknown to me, caused significant damage to the GTEP investors. Policy bonus rates began to reduce from circa 2006. Also, in and around 2006, policy surrender values moved from smoothed to spot.

12. **2005 **FSA Misguided With Profits (WP) Returns Reforms****

https://www.handbook.fca.org.uk/handbook/COBS/20/5.pdf (Item 3)

https://en.wikipedia.org/wiki/With-profits_policy#References (Item 4)

For many years with-profits policies were seen as a safe alternative to deposit accounts for many investors (especially elderly investors). Years of steady reliable returns in combination with unscrupulous sales tactics from insurers fostered the impression that a 'low-risk' investor should invest in with-profits. This perceived low risk belied the reality of the underlying investment strategies of many insurers who used high equity exposure and high-risk financial instruments to achieve the returns.

In the middle of the bear market of the early 2000s the UK regulator (the FSA) imposed a new regulatory regime for with-profit providers, in response to growing consumer complaints following the introduction of market value reductions. The realistic reporting regime had the combined effect of requiring the insurers to move more of their funds into lower-risk investments (corporate bonds, and gilts) to cover liabilities; and to lower

projection rates in line with the new asset mix of the fund to more accurately predict future returns. Industry commentators cite this as the death knell for the with-profits policy.

2002 – 2009 external IFA's arranged 590 GTEP products for their customers, Integrity administered the transactions on behalf of HBOS, NBS and the external IFA's. Integrity arranged circa 60 GTEPs for its customers. Integrity acted as an introducer to HBOS and NBS.

PERG 8.33 Introducing

13. Introducing as detailed in the FCA handbook https://www.handbook.fca.org.uk/handbook/PERG/8/33.html

14. **2006 – 2009** the FSA carried out a thematic review of GTEPs. Integrity and five other IFA firms were included in the review. The GTEP product providers HBOS and NBS and other GTEP introducers were excluded from the review. The FSA incorrectly asserted that Integrity was a GTEP product provider and had breached COBS principal 7.

15. IFA network firms (which are much bigger and have more compliant resource) were excluded from the FSA's thematic review.

16. 2006 During the FSA Integrity GTEP Investigation, 27 case officers visit Integrity from 2006 to 2010. The FSA allege that Integrity is a TEP Market Maker and GTEP Product Provider, it is neither. TEP Factory (an unregulated supplier of TEPs) sold TEPs to HBOS and NBS. Integrity is an IFA business. The FSA investigation begins on the misguided premise that Integrity is the GTEP product provider and a market maker. Integrity was neither.

17. **2008** as a demonstration of my integrity, I terminated all associations with Richard Clay and blew the whistle to FSA, Serious Fraud Office and Pensions Regulator on ARCK Richard Clay Kathryn Clark https://www.dropbox.com/sh/odxj4er7nd12hxe/AADPaFohtocaw3-hAWQdW4cna?dl=0 (Items 12 - 15)

My whistle blow is ignored, a significant number of retail investors lost unnecessarily following my whistle blow http://www.telegraph.co.uk/finance/personalfinance/investing/12123516/50m-lost-because-watchdogs-did-nothing.html

18. **2009** in the middle of the financial crisis the surrender value of TEPs fell up to 40%, the surrender value fall causes margin calls within the HBOS NBS GTEP product. The margin calls would have been highly unlikely if surrender values have been smoothed values as they have been prior to the Sandler review. The FSAs light-touch regulation

of the banks was a significant factor in the cause of the financial crisis and margin calls within the HBOS NBS GTEP product.

19. **2009** Change in Control Application To FSA For Chaser Capital (fund management). The application is blocked (neither approved or denied) by FSA, the Application is put in long grass by FSA. The FSA blocks Integrity from conducting business without justifiable cause. During the application process, the FSA write to Chaser Capital on 5 June 2009. **https://www.dropbox.com/s/7hh8qhd2yizw5ms/FSA%20letter%20to%20Chaser%20Capital%205%20June%202009.pdf?dl=0** (Item 16)

The FSA letter states that due to an ongoing investigation, the FSA is unable to be satisfied that Iain and Katrina Stamp are fit and proper. This contradicts a statement made later in 2010 by Margaret Cole in a letter to my MP George Hollingbery, Margaret Cole says that Iain and Katrina Stamp were never personally under investigation.

http://www.iaincs.com/docs/cole_letter.pdf

2009 The FSA wrote to all IFAs, telling them they may have miss sold the Integrity GTEP product, the letter was sent to 125 IFA firms and was prejudicial to Integrity causing substantial reputational damage to Integrity and me. The GTEP product was not provided by Integrity it is a HBOS and NBS product. In an exchange between Paul Nedas of Financial Advice Liability and John Tutt in 2009, John Tutt says, *"Specifically, your clients were concerned with GTEP distributors and intermediaries (including - Integrity Financial Solutions Ltd and The Matrix Model Group (UK) Limited"*

https://www.dropbox.com/s/juwnzvl0tpsmdqk/24-02-2012%20FAL%20to%20FSA%20cc%27d%20to%20BOS%20-%20the%20fundamental%20purpose%20of%20the%20close%20collaboration%20between%20Bank%25.pdf?dl=0

20. **2009** At a meeting between FSA, Paul Adams (Integrity's director of finance) and I, the FSA asserted that Integrity had breached the threshold regulatory capital requirement as the FSA wanted to ignore a loan of £400,000 which was a credit to the integrity balance sheet. Paul Adams and I argued that Integrity was a solvent business and had significantly more capital than the threshold for an IFA business. Integrity's auditors included the loan as a genuine asset on Integrity's balance sheet which was signed off by the Integrity directors and accepted by the FSA on previous regulatory returns. The FSA were suddenly and deliberately excluding a £400,000 loan that had been made by Integrity to its holdings company, the loan was a legitimate asset on Integrity's balance sheet and had qualified as threshold capital in previous regulatory returns. Following the meeting the FSA asserted that I had agreed for my holdings company to repay the £400,000 loan, I had not agreed to this at all.

21. **2009** Integrity was facing the risk of substantial claims against it from customers introduced by the 125 IFA firms that had arranged GTEPs with HBOS and NBS. The FSA wrote to all 125 IFA firms that had arranged GTEP products, as the FSA had asserted that Integrity was the GTEP product provider it put Integrity in an impossible position as Integrity's Professional Indemnity insurance did not cover Integrity as a

GTEP product provider, the policy covered Integrity as an IFA for arranging GTEPs for its own customers as an IFA, but not the GTEP customers of other IFAs as the GTEP product provider. The FSAs assertion that Integrity was the GTEP product provider brought the risk of uninsured claims against Integrity for compensation payments to the GTEP customers arranged by 125 other IFA firms. Integrity had no prospect of continuing as it was uninsured. Under advisement from Rosenblatt Solicitors and Grant Thornton Integrity's auditors, I put Integrity into creditors voluntary liquidation.

22. **2009** Peter Yeldon of Middleton Partners was referred by Nigel Frudd (a partner at Rosenblatt Solicitors) to act as liquidator. I appointed Peter Yeldon of Middleton Partners as he was highly regarded by Rosenblatt Solicitors. I agreed with Peter Yeldon that he would enable the directors of Integrity to appeal to the Regulatory Decisions Committee during the Integrity liquidation and Peter Yeldon would allow Integrity to challenge the FSA over its allegations that it was the GTEP product provider specifically COBS principle 7, together with a range of other challenges over the FSA's allegations of defective IFA services to Integrity's own customers. Peter Yeldon agreed to enable Integrity to take the matter to the Regulatory Decisions Committee (RDC) and ultimately to the Upper Tribunal.

23. **2009** My holdings company made substantial loan repayments to Integrity (now in liquidation)

24. **2009 – 2010** the FSA proposed a deal to Peter Yeldon that was undisclosed to me at the time. The FSA proposed a public censure of Integrity to Peter Yeldon without any

cost to Integrity in liquidation. I was unaware of this deal until it was too late to argue about it as Peter Yeldon had already accepted its terms. The FSA wrote in a letter that I had no third party rights, sent Mr Yeldon a draft warning notice, the FSA did not send me the warning notice. I did have third party rights. I should have been given the right to have argued at the RDC. See Andrew Green QC on my rights under FSMA and my Human Rights (Item 17)

25. **2010** Peter Yeldon breached his agreement with me, did not enable me to argue at the RDC or UT.

26. **2010** The FSA write to Peter Yeldon in a without prejudice letter with a draft Integrity Warning Notice. https://www.dropbox.com/s/w9pswm7qsuqn9iv/Draft%20warning%20notice.pdf?dl=0 (Item 18)

https://www.dropbox.com/s/uxgc3umpe4l66pi/Spender%20to%20Yeldon%20letter%20%281%29.pdf?dl=0 (Item 19)

The letter to Peter Yeldon says that I have no third party rights and I am no longer a director of Integrity. Both statements are incorrect. I did have third party rights and I am still a director of Integrity today.

27. **2010** Following acceptance of the FSA's deal it was discovered that Peter Yeldon had defrauded Integrity and its creditors by extracting £350,000 in excessive fees, leaving just £1,000 remaining in the company. Peter Yeldon was subsequently stripped of his insolvency practitioner license for dishonesty. http://economia.icaew.com/news/february-2015/crooked-insolvency-practitioner-fined (Item 20) How can the FSA rely on a deal to accept all the allegations made by the FSA from this dishonest liquidator who agreed to them for his own purposes, i.e. theft of the money at Integrity.

28. **2010** No Integrity FSA decision notice is sent to me, it was published on the FSA website, it has subsequently been deleted now.

29. **2010** Integrity Final Notice is published by Tom Spender, the notice unchallenged by Integrity, does not mention HBOS or NBS or any of their many COBS rule breaches and CONC responsibilities towards the GTEP distributing IFAs. The Final Notice asserts that Integrity is the GTEP product provider and has breached a range of COBS principals, primarily principle 7. I assert the Integrity notice is a whitewash and is designed to protect HBOS and NBS from their GTEP consumer credit and FSA regulatory responsibilities.

30. The Integrity Final Notice was authored by Tom Spender, who moved from the FSA to Lloyds as head of legal after the Integrity Final Notice was issued. He draws up an inept Final Notice which identifies Integrity as the product provider which it clearly

wasn´t and apparently fails to identify any reason why HBOS or NBS needed to ensure that the loans being granted by them from their products were suitable for the potential claimants or even mention their role. I believe that Tom Spender did this without any fear of repercussion or referral to the Upper Tribunal because the Integrity censure was accepted by the liquidator and Integrity could not challenge the notice. (FYI Although the actions of the liquidator could be considered to be acting in the creditors´ interests which could have been considered appropriate, Peter Yeldon had already extracted all but £1,000 from the company by his unjustified fees of £350,000.) Peter Yeldon was subsequently removed from the Institute due to his theft of liquidated companies' assets, including the annual renewal fees accruing and the liquid assets of the company. (FYFI Mr. Spender wrote subsequent several Final Notice's against IFAs but does not describe the product as an Integrity product, it is described as a GTEP product. Several other final notices were written by other authors about GTEPs, none of which suggested in any way that they were provided by Integrity.) The Notice says:

"Integrity confirmed on 27 April 2010 that it will not be referring the matter to the Upper Tribunal (Tax and Chancery Chamber). 1.3. Integrity was the provider of the GTEP product and also advised customers though its IFA practice to invest in this product"

No such confirmation was given by any Integrity director on 27 April 2010, any confirmation must have been made by the liquidator Peter Yeldon.

The FSA Integrity Final Notice says:

"Integrity was the provider of the GTEP product and also advised customers though its IFA practice to invest in this product" "On the basis of the facts and matters described below, the FSA has de cided to issue a public censure of Integrity for breaches of Principles 7 and 9 and related FSA Handbook rules due to failures in its direct sales of GTEP products and for breaches of Principle 7 and related FSA Handbook rules inrelation to its role as the provider of the GTEP product during the relevant period. These failings are set out in summary belo w and in more detailin Sections 4 and 5"

31. **2010** I tried to reopen the matter with the FCA via my member of parliament, George Hollingbery MP, who wrote a letter of complaint to the FSA. Margaret Cole of the FCA's reply to my MP is here http://www.iaincs.com/docs/cole_letter.pdf (Item 21)

32. Margaret Cole of the FSA's letter to George Hollingbery MP states that, "It is important to note that Mr and Mrs Stamp were never personally under investigation and no finding that identifies and prejudices them as individuals has been published." Yet, in a letter from the FSA to Chaser Capital dated 5 June 2009 - which I later had sight of (some years later) as part of a subject access request under the Data Protection Act - the FSA states, "As there is an ongoing investigation by the FSA into Integrity Financial Solutions Ltd, where Mr & Mrs Stamp currently hold roles of a significant influence, Permissions is unable to be satisfied that Mr & Mrs Stamp are fit and proper whilst the investigation is ongoing." The statements are contradictory; I assert that the letter from Margaret Cole to George Hollinbery was deliberately misleading, I assert,

that Margaret Cole lied to George Hollingbery to set up a perception deception, i.e that I would have no difficulties in my career and there was no need for me to pursue the Integrity Final Notice as it was not possible to do so. I could have applied for a Judicial review in 2010 but Margaret Cole's letter gave me comfort that I didn't need to do so.

33. **2010** The Financial Services Compensation Scheme ("FSCS") classified Integrity as a failed GTEP product provider and has subsequently paid out substantial compensation claims to GTEP investors, I believe that many of these claims have been made in error as HBOS and NBS are the GTEP product providers.

34. In Final Notices issued by the FCA since 2009, it is stated that six firms including Integrity miss-sold the GTEP product to their customers. Apart from the Integrity Final Notice the FSA do not describe the GTEP product as an Integrity product, it is referred to as a GTEP. The Final Notices do not mention the role of HBOS or NBS. Large IFA firms that promoted the GTEP products were never investigated by the FCA, HBOS and NBS have never been investigated by the FCA relating to their GTEP product. No other similar businesses to Integrity or TEP Factory that introduced similar plans to the IFA market has ever been investigated by the FCA.

35. **2010 to 2017** there are many media articles about me as CEO of Integrity, the failed GTEP product provider, the articles have destroyed my reputation. http://citywire.co.uk/new-model-adviser/news/advisers-complain-integrity-lost-clients-thousands/a386560 (Item 22)

36. **2010** Iain & Katrina Stamp Apply To FSA For IKSIM (Fund Management). Application is made as Integrity variation of permissions is blocked (neither approved or denied) by FSA. The application is put in long grass by FSA. The FSA has blocked me from conducting regulated business without any justifiable cause.

37. 2012 I assert that the FSCS has paid out £40m in Error. I assert that the FCA pushed HBOS customers to the FSCS who paid out on the basis of Integrity's GTEP Product (it was not Integrity's Product) and therefore paid out incorrectly. The FSCS payments were made under the guise that Integrity was in default. No focus was ever put on HBOS and NBS, who were the Product providers. HBOS NBS GTEP investors were left with substantial unrecovered losses. https://www.moneymarketing.co.uk/fsa-censures-integrity-financial-solutions-over-geared-tep-sales/ (Item 23)

38. 2012 Patrick Green QC Opinion. Patrick Green QC is commissioned to write an opinion for the Financial Services Compensation Scheme (FSCS) - https://www.fscs.org.uk/ A claims handler (non expert) Paul Nedas acts in bad faith, collects data from me and distorts it. The opinion https://www.dropbox.com/s/lodq3u7nv6xo61p/03-08-2014%20Integrity%20FSCS%20Opinon%203%208%2014%20%28copy%29_1%20%28copy%29%20%283%29.pdf?dl=0 (Item 24) is further influenced by the FSA Integrity Final Notice which wrongly states Integrity is the GTEP product provider. It is not. The opinion reinforces the FSCS pay out of circa £40m in error which was caused by the content of Integrity's final notice written by Tom Spender. www.moneymarketing.co.uk/integrity-financial-solutions-classed-as-an-intermediary-for-fscs-purposes/ (Item 25)

39. 2013 I apply To FCA To Take Control of Catalyst. The application is put in the long grass, neither approved or denied by FSA. I withdrew the application in fear of FCA persecution.

40. 2015 Iain Stamp (as director of UK Innovative TI Ltd "UKITI") Applies to FCA for Appointed Representative at Stargate ("SCM"). The application is put in the long grass, neither approved or denied by FCA.

41. SCM, UKITI and Hantec Markets Ltd ("Hantec") executed a service level agreement ("SLA") on 11 November 2014. The SLA detailed the roles and responsibilities of the parties, dealing spreads were paid directly to UKITI under the original SLA. On 14 September 2015 Hantec wanted to amend the SLA excluding UKITI and to pay dealing spreads direct to SCM, a replacement SLA excluding UKITI and paying dealing spreads to SCM is executed on 1 December 2015. Hantec suggested that UKITI could receive dealing spreads directly if it became an AR on SCM. On 29 September 2015, SCM made an AR application to the FCA via its compliance consultant, Bliby Consultancy LLP, reference 0000721106 to add UKITI as AR to SCM as the principal firm. The application was made via FCA Connect in the usual way.

42. SCM carried out due diligence on UKITI prior to licensing UKITI's algorithmic FX trading software in 2012. SCM refreshed their due diligence prior to making the UKITI AR application. SCM expected the UKITI application to be processed by FCA like all the others it has previously made, to be approved (or rejected) in the usual way.

43. During the application period (29 September 2015 to January 2017) SCM has no regulatory issues.

44. During the application period (29 September 2015 to January 2017) SCF has no regulatory issues.

45. The AR application to add UKITI as an AR does not follow the same course as SCM's 14 previous AR applications.

46. For 16 months, SCM's AR application is neither approved or rejected by the FCA.

47. SCM is asked the same questions on a repeated basis by FCA.

48. The correspondence between SCM, UKITI and the FCA during the AR application is (Items 26 and 27).

49. As part of the AR application, Mr Iain Stamp (the director of UKITI) is required to make an approved person application to perform a CF1 function at SCM's proposed AR, UKITI.

50. As part of the approved person application, the FCA asks Mr Stamp to only complete sections 5 and 6 of the Form A. This is duly provided in January 2016.

51. Not until 31 March 2016 does the FCA decide that Mr Stamp needs to complete the entire Form A.

52. When SCM queries why the FCA's statutory clock is not ticking, the FCA says that SCM has not answered questions correctly, yet the FCA does not inform SCM what questions are not answered correctly. SCM answered all of the FCA's questions fully, accurately and promptly.

53. The correspondence between SCM and the FCA regarding the FCA's statutory clock is (Item 28).

54. SCM believes that the FCA timescale for approving an AR application is statutory.

55. SCM believes the FCA's conduct and deliberate delays regarding the UKITI AR application is an abuse of the system.

56. The following link (Item 29) on the FCA's website states (in relation to approved person applications), "We are legally obliged to decide on an application within 90 days of receiving it. But if we need more information from your firm, the statutory 'clock' will be stopped until we get that information." https://www.fca.org.uk/firms/approved-persons/how-we-process-approved-personapplications

57. In an appeal to the Stargate Second Supervisory Notice at the Upper Tribunal Stargate says*: "With great reluctance, Mr Stamp agreed for SCM to submit a UKITI Appointed Representative (AR) application to the FCA. Mr Stamp explained to me that he had previously submitted four approved persons applications to the FCA*

between 2009 and 2015, on each occasion his applications were neither accepted or rejected by the FCA, each followed a similar pattern of seemingly irrelevant questions and answers that went backwards and forwards between Mr Stamp and the FCA which led ultimately to Mr Stamp's withdrawal of his applications. The FCA has not provided any reason why Mr Stamp would not be considered fit and proper to perform a controlled function for SCM's proposed AR, UKITI. In the absence of a reason as to why Mr Stamp would not be considered fit and proper to perform a controlled function, SCM reasonably expected the AR application to be granted. The continued frustration of the AR application (neither approving nor rejecting it) has damaged SCM, UKITI and Mr Stamp"

58. *"SCM refreshed its UKITI due diligence prior to making the UKITI AR application to the FCA in September 2015. SCM however expected the UKITI application to be processed by the FCA like all the others it has previously made, to be approved (or rejected) in the usual way".*

59. *"During the application period (29 September 2015 to January 2017) SCM has no regulatory issues"*

60. *"The UKITI AR application did not follow the same course as SCM's 14 previous AR applications, it is immediately referred to the FCA's non routine team. SCM questioned why the application was non routine, the FCA referred to Mr Stamp's role at Integrity Financial Solutions (Integrity) as the reason"*

61. *"For 16 months, SCM's AR application is neither approved or rejected by the FCA"*

62. *"The FCA focused many of its questions on what Mr Stamp had learned whilst acting as the CF1 at Integrity"*

63. *"Mr Stamp provided SCM with a letter from Margaret Cole of the FCA in response to a letter from Mr Stamp's MP George Hollingbery in from 2010. The letter confirms that Mr Stamp had never been under any FCA investigation and gives the impression that Mr Stamp would have no difficulty in achieving approved person status. The letter from Margaret Cole confirms that the FCA is unwilling to reopen the integrity final notice which had never been challenged by Mr Stamp or any of the directors of Integrity as Integrity was in creditors voluntary liquidation and under the control of Middleton Partners, Mr Peter Yeldon who had accepted the assertions made by Tom Spender of the FCA regarding Mr Spender's unproven assertions that Integrity had breached the FCA's principles under COBS as a GTEP product provider. Mr Stamp has evidence to me via an opinion written by a leading barrister who has comprehensively reviewed the Integrity Final Notice in connection with a current group litigation claim on behalf of 650 GTEP investors introduced to Halifax Bank of Scotland (HBOS) and Newcastle Building Society (NBS) by Integrity. The barrister's opinion confirms that HBOS and NBS were the GTEP product providers not Integrity as asserted in the Integrity Final Notice by the FSA. Mr Stamp subsequently discovered under a contact access request a copy of a letter from the FCA to Chaser Capital (a company that Mr Stamp had put in a change of control application to the FCA) that he and his wife Mrs Stamp were under investigation in 2009 relating to their activities at Integrity. Mr Stamp has explained to me that had*

he known that he and Mrs Stamp had been under FCA investigation he would have challenged the FSA's final notice against Integrity via the RDC and Upper Tribunal. No such challenges made by Mr Stamp due to the statements made in Margaret Coles letter to George Hollingbery MP in 2010. Mr Stamp has also informed me that there is no opportunity for him to challenge the FCA either via the Upper Tribunal or undertake a judicial review as the Integrity Final Notice was issued more than six years ago and is now time barred"

64. *"As part of the UKITI AR application, Mr Stamp (the director of UKITI) is required by the FCA to make an approved person application to perform a CF1 function as SCM's proposed AR, UKITI"*

65. *"As part of the approved person application, the FCA asks Mr Stamp to only complete sections 5 and 6 of the Form A. This is duly provided in January 2016"*

66. *"Not until 31 March 2016 does the FCA decide that Mr Stamp needs to complete the entire Form ".*

67. *"When SCM queries why the FCA's statutory clock is not ticking, the FCA says that SCM has not answered questions correctly, yet the FCA does not inform SCM what questions are not answered correctly. SCM answered all of the FCA's questions fully, accurately and promptly"*

68. *"SCM believes that the FCA timescale for approving an AR application should follow a statutory six months timeframe. The application process lasted 16 months, was repeatedly frustrated by the FCA's abuse of the time clock"*

69. *"At the outset of SCM's relationship with UKITI, SCM was aware that UKITI had been involved in various arrangements with a similar, if not, in some cases, the same structures that were in place for FX Perpetual between SCM, Hantec/Vibhs Financial Ltd (as brokers) and UKITI"*

70. *"Mr Stamp firms have licensed similar software to other fund managers, Independent Portfolio Managers Ltd ("IPM"), Emerging Asset Management Ltd and Catalyst Fund Management Ltd and these firms have transmitted trade signals from my firm's designed algorithms to the brokerages. Host Capital Ltd also offered to work with a software license from one of Mr Stamp's companies"*

71. *"Other brokerage firms that Mr Stamp's firms have worked in the past under similar or the same arrangements include GFT, London Capital Group Ltd ("LCG"), Alpari, GO Markets and Think Forex"*

72. *"If SCM has aided and abetted Mr Stamp then so have the other fund managers and all the brokers Mr Stamp's firms have worked with"*

73. *"Mr Stamp has evidenced to me a compliance opinion from an expert, and FCA CF10 registered individual dated 30 December 2016 which states that, in their opinion, UKITI was not conducting any regulated activity"*

74. *"Mr Stamp informs me that the FCA (at the time, the FSA) looked into his firm's relationship with IPM with similar arrangements. If the FCA had any concerns, action would have been taken against IPM. No action was taken. Mr Stamp also informs me that in a litigation case one of his firms was taking up against LCG for damages, the High Court judge looked into this type of structure between IPM Mr Stamps firm and LCG. LCG alleged that Mr Stamps firm was operating without an FCA licence. The High Court judge did not support LCGs assertions that Mr Stamps firm was providing investment management services. LCG paid a settlement to Mr Stamps firm. Mr Stamp also informs me that the Ombudsman looked into this type of structure between IPM, Mr Stamps firm and LCG. The Ombudsman did not support LCGs assertions that Mr Stamp was providing investment management services, the Ombudsman instructed LCG to pay out to their customers"*

75. *"Mr Stamp informs me that his firm was receiving 100% of the dealing spreads as a license fee provision of its software to IPM"*

76. *"Mr Stamp informs me that K&L Gates represented his firm in his firm's damages claim against LCG with a counsel opinion from Charles Marquand. LCG was represented by Pinsent Masons. LCG attempted to have the damages claim thrown out due to their assertion that LSC had no right to the dealing spreads as it was unregulated, and its license of software to IPM was in some way a breach of FCA principles. The High Court judge threw out LCGs assertions, and the LSC matter went ahead at the High Court. LCG settled the claim in Mr Stamp's firms favour"*

77. *"Furthermore, Mr Stamp informs me that despite LCG defending itself for two years against complaints made to the Financial Ombudsman Service ("FOS"), FOS found against LCG with LCG subsequently settling claims over commission rebating errors it made on the accounts operated under a similar structure to the SCM UKITI structure"*

78. *"The following link on the FCA's website states (in relation to approved person applications), "We are legally obliged to decide on an application within 90 days of receiving it. But if we need more information from your firm, the statutory 'clock' will be stopped until we get that information."* *https://www.fca.org.uk/firms/approved-persons/how-we-process-approved-personapplications*

79. *"Mr Stamp met his member of parliament, Caroline Dinenage MP. On 9 December 2016, Ms Dinenage writes to Andrew Bailey, CEO of the FCA to raise concerns about the farcical process via the abuse of the time clock and length of time elapsed with the UKITI AR application"*

80. *"SCM believes that Caroline Dinenage MP letter to Andrew Bailey caused an intensification of the persecution of Mr Stamp and was the catalyst for the FCA's subsequent focus on SCM. SCM believes the FCA have breached statutory process and acted in bad faith"*

81. *"As part of the AR application, and following Caroline Dinenage MP's letter on 9 December 2016, Mr Stamp was invited to attend an interview at the FCA on 15 December 2016 ostensibly to discuss the UKITI AR application. Mr Stamp described the 'interview' to me as an interrogation. The 'interview' lasts four and a half hours, was taped. Mr Stamp believes that the interview was designed to entrap him. Mr Stamp informs me that at the beginning of the interrogation the FCA ask Mr Stamp why he is not legally represented, Mr Stamp informed me that he answered "why would I need legal representation". The interview focuses in large part on Integrity and what Mr Stamp had learned about Integrity and on unregulated things Mr Stamp was doing and had done"*

82. *"UKITI, had also designed and developed CVaR (conditional value at risk) ETF fund management software system based on dynamic volatility rebalancing. The software is designed to constrain downside risk within annual constraint levels of -3% to -25%. The software was thoroughly tested and demonstrated a 95% mathematical confidence level of complying to the risk constraint levels. SCM had planned to market its fund management services under the trade name of Wealth Fortress DFM. SCM and UKITI had recruited counterparties in collaboration to offer a pension switch and transfer service. SCM as a fund manager, an IFA firm WDFS as an adviser, a SIPP trustee, Red Swan, a marketing company, Pensions Legal and an administration company, eparaplanner. SCM aimed to manage pension funds at the SIPP via its licence of the UKITI CVaR software in a similar way to its licence of the FX Perpetual algorithmic software"*

83. *"Wealth Fortress DFM was a registered trading name of SCM from 5 December 2016 to 2 February 2017, as can be seen on the FCA register"*

84. *"Following Mr Stamps interrogation on 15 December 2016, the FCA wrote to Pensions Legal. SCM was relying on Pensions Legal to generate new business via its leads supply to IFA firm WDFS Ltd. The FCA made contact with WDFS Ltd and Red Swan, the collaboration SIPP provider. The effect of the FCA contact caused Pensions Legal, WDFS Ltd and Red Swan to cease their involvement with SCM and the pension collaboration. SCM believes that the FCA's contact to these counterparties was in bad faith as it caused considerable damage to SCM and UKITI"*

85. *"SCM believes that the FCA misunderstood SCM's intended pension fund management services did not carry out sufficient research to establish its merits and failed to understand the design features of the CVaR volatility proposition which was based upon a Nobel Prize winning design. The pension collaboration could no longer proceed due to the FCA's intervention. SCM and UKITIs businesses were severely damaged by the FCA's deliberate dismantling the collaboration"*

86. *"During the FCA's call to WDFS Ltd's compliance officer, the FCA suggests that elements of the SCM investment proposition was high risk and that WDFS Ltd should not recommend the proposition to one of its clients. The FCA did not base their assertions on any research or fact as it did not understand the SCM Wealth Fortress DFM CVaR strategy which primary purpose was to manage within predetermine risk constraints and achieve this via dynamic rebalancing of the ETF's. The strategy*

is very similar to that employed by Scalable Capital https://uk.scalable.capital/ who regard this type of fund management "The Future of Investing. Today"

87. *"The FCA in the SCM First Supervisory Notice assert that "supervision has evidence that the wealth Fortress DFM may have been marketed to retail pension investors for which they have not been suitable. Supervision has seen no evidence that SCM is in practice providing investment management services to the wealth Fortress DFMs" Neither WDFS or any other IFA had recommended the wealth fortress DFM portfolios. The FCA failed to establish the arrangements that SCM had made to licence the CVaR volatility software from UKITI and how SCM had structured its control of the system and the setting of its parameters"*

88. *"On 5 January 2017, the FCA's supervision department visit SCM"*

89. *"During February 2017, the FCA starts a review of SCM and SCF. The FCA wants SCM and SCF to submit to an s.166 review and VREQ which would involve SCM and SCF imposing restrictions on all their activities"*

90. *"On 8 February 2017, SCM attend a meeting at the FCA's offices"*

91. *"On 16 February 2017, in a letter from Russell Moore of the FCA, SCM is requested to sign a Voluntary Requirements form ("VREQ") to cease all activities. The FCA is insistent upon SCM signing the VREQ"*

92. *"SCM did not sign it as to do so would cause SCM's activities and income to stop entirely. It would then be nonsensical to SCM to submit to an s.166 review as SCM could not afford to instruct an s.166 review. If the s.166 review had identified any weaknesses, it would be impossible to rectify them as SCM would have no business ventures left"*

93. *"Moreover, SCM was being asked to sign the VREQ to cease all activities before the FCA had (i) provided any evidence of alleged wrongdoings and (ii) ascertained any weaknesses. (iii) cautioned SCM or UKITI or Mr Stamp. SCM believes that the FCA insisting on SCM signing a VREQ without any evidence of wrongdoing or establishing any weaknesses in SCMs business was in bad faith"*

94. *"SCM would have agreed to a s.166 review on the basis of carrying on with SCMs business ventures. If the s.166 review identified any weaknesses, SCM would have put them right. This approach would have been in the spirit of the FCAs attestation policy"*

95. *"Daniel Tunkel of Howard Kennedy (SCM appointed lawyer) describe the s.166 as a "fine before the event". More than that, the FCA's actions are contrived. The FCA attempted to bully SCM into following a nonsensical process that is not in the best interests of SCM or its customers. SCM believes that the FCA are in breach of process"*

96. *"SCM further believes that the FCA simply want to ruin SCM, SCF, UKITI and Mr Stamp"*

97. "On 14 March 2017, I attend a meeting at the FCA's offices"

98. "The FCA has acted in an irregular and improper fashion in that: 1) SCM has never been cautioned; and 2) On two occasions, the FCA press SCM to correspond with their investors in a manner that breaches privilege against self-incrimination. I believe that the FCA was attempting to entrap SCM (and, by inference, Mr Stamp and UKITI) while not following its own procedures"

99. "Howard Kennedy informs the FCA that closing FX Perpetual managed accounts (for which SCM is the investment manager) will result in consumer detriment by clients losing money"

100. "SCM categorically deny the FCA's speculations that SCM has placed UKITI in a position where its activities amount to breach of the General Prohibition"

101. "SCM offers to sign the VREQ on the basis that, in the best interests of investors, FX Perpetual continues running with SCM or via a replacement investment manager. This course of action is reasonable as 98% of the FX Perpetual investors want to continue with their managed accounts. There are no complaints from FX Perpetual account holders. The FCA is warned by Howard Kennedy that the closure of FX Perpetual will cause client losses. The FCA refuse this (despite the FCA initially indicated that they would be willing to consider the appointment of a replacement investment manager, they later change their minds and are not interested in this). The FCA cause consumer detriment by forcing the closure of FX Perpetual, and cause damage to SCM, UKITI"

102. "SCM was criticised by the FCA for a difference in FX Perpetual client account values between realised trades and unrealised trades. Some of the unrealised trades were hedged trades. The policy of hedging is clearly stated in the FX Perpetual literature. During the early part of 2017, the difference between realised and unrealised trades was circa 20%. By the time that the FCA compelled SCM to terminate the FX Perpetual programme on 30 June 2017, the difference in client account values between realised trades and unrealised trades was circa 11%. SCM believes that the differential would have been reduced to 0% by October 2017. This significant improvement (in a short space of time), allied with the fact that the majority of FX Perpetual investors wished to maintain their accounts, is proof of consumer detriment brought about by the FCA acting in bad faith"

103. "The FCA provides no evidence to support their allegation that SCM and UKITI have breached the general prohibition nor that SCM has aided and abetted UKITI by SCM giving regulatory legitimacy, no evidence is provided, as no such evidence exists"

104. "The FCA has delayed SCM's complaint made in Daniel Tunkel's letter of 23 May 2017"

105. "SCM and SCF is given no time by the FCA to rectify any alleged weaknesses. SCM believes that if there are any weaknesses, SCM should be given a reasonable amount of time to put things right. The FCA has an attestation procedure described on its website. Its described as a supervisory tool for putting things right, ensuring

that regulated firms – and senior managers within them – are clearly accountable for taking the actions the FCA requires on specific issues. No such procedure was offered to SCM"

106. *"The FCA delays reviewing SCMs complaint to the FCA made on 23 May 2017"*

107. *"FCA is deferring their investigation of SCM complaint because "your complaint is connected with, or arises from, some form of continuing action by the FCA"*

108. *"Howard Kennedy wrote to the FCA with a detailed rebuttal of the FCAs allegations on 29 June 2017; the letter covered in detail why UKITI were not providing fund management services. The FCA ignore this letter. The FCA issue a First Supervisory Notice to SCM dated 27 June 2017"*

109. *"On 23 June 2017, Howard Kennedy wrote to the FCAs Regulatory Transactions Committee. SCM confirms that while it can comply with many of the actions required of it by the FCA, it objects to terminating relationships concerning FX Perpetual on the basis that:*

- *it objects to the reasoning that the FCA has adopted;*
- *it requires time to make proper representations;*
- *it is invidious for the FCA to require termination before SCM making proper representations;*

- *FX Perpetual is SCM's main income stream;*
- *the FCA's course of action is not in the best interest of investors and will cause consumer detriment"*

110. *"On 7 July 2017, the FCA publishes the Revised First Supervisory Notice to SCM/SCF. The First Supervisory Notice is dated 27 June 2017 but not published until 7 July 2017. The first publication of the notice is un-redacted. The notice makes false, unfounded speculations. Howard Kennedy's letter to the FCA with a detailed rebuttal of the FCAs speculations on 29 June 2017 is ignored. The SCM First Supervisory Notice names UKITI and its director which can only be Mr Stamp. SCM believes that the use of Supervisory Notices by the FCA is an abuse of their powers. SCM further believes that the FCA have deliberately used the First and Second Supervisory Notices as a tool to damage UKITI and Mr Stamp's reputation. Mr Stamp informs me that he has taken legal advice over the matter, the advice confirmed that there appears to be nothing Mr Stamp can do about it apart from complaining to the FCA. Mr Stamp has informed me that based upon the way he has been treated by the FSA FCA since 2009 causes him to have no faith in receiving fair treatment from the FCA in any such complaint procedure. Mr Stamp also informs me that he and his lawyers consider that the FCA's issuance of the SCM First Supervisory Notice which specifically references him is a deliberate strategy employed by the FCA to destroy his reputation and an abuse of the intended purpose of the FCA's powers to use First Supervisory Notices as this type of notice is intended to prevent ongoing consumer detriment, SCM has already been shut down prior to the issuance of the \|first Supervisory Notice and has agreed with the FCA not to undertake any further regulated business activity. Mr Stamp informs me that he*

considers the FCA use of the First Supervisory Notice as a tool to ruin his reputation and it does not afford him any third-party rights to address the damages"

111. *"As a result of being named in the First Supervisory Notice (generically as "UKITI's director Mr Stamp) an article is published by Citywire. I assert that my company name and my name listed in the Supervisory notice is a breach of my Human Rights. The article repeats unfounded allegations made in the SCM First Supervisory Notice. As a result of the FCA's actions, UKITI and Mr Stamp are damaged and UKITI's reputation is destroyed. Mr Stamp has informed me that natural justice should be afforded to him and he should be given the opportunity to defend UKITI and his position but he has no third party rights, Mr Stamp believes that this is a breach of his human rights"* https://publications.parliament.uk/pa/cm201617/cmselect/cmtreasy/maxwellisation/a-review-of-maxwellisation-24-11-16.pdf

112. *"SCM was relying upon its outsourcing arrangements with UKITI for its revenues. Despite Daniel Tunkel's vigorous arguments and evidence provided to the FCA to support SCM's position, the FCA published the First Supervisory Notice regardless. SCM believes that the FCA's actions are in bad faith as they are deliberately designed to effectively end UKITIs, SCM's revenue streams from FX Perpetual, and the pension collaboration. SCM believes that the FCA's destruction of*

SCM's and UKITI's revenue streams is a deliberate strategy employed by the FCA to make it close to impossible for SCM and UKITI to afford expert legal representation at the Upper Tribunal"

113. *"FCA publishes Revised (redacted) First Supervisory Notice to SCM/SCF on 14 July 2017"*

114. *"A redacted version of the Revised First Supervisory Notice is later published by the FCA. Howard Kennedy's letter to the FCA with a detailed rebuttal of the FCAs allegations on 29 June 2017 is still ignored. SCM believes that the FCA is acting in bad faith"*

115. *"On 29 June 2017, Daniel Tunkel confirms to the FCA SCM and SCF's (reluctant) compliance with the Revised First Supervisory Notice"*

116. *"The letter raises a number of issues with the FCA. Amongst other things:*

- *The FCA insists on a s.166 report which is a "fine before the event".*
- *The FCA has not satisfactorily explained why a s. 166 report is needed or is of use.*
- *Official complaints are (and remain) unanswered, including a complaint of the conduct of those involved in the First Supervisory Notice, chiefly Mr Moore.*

- *The FCA speculates that SCM and UKITI have acted in criminal conduct. Yet, SCM nor Mr Stamp have never been cautioned.*
- *Compelled closure of FX Perpetual has caused consumer detriment.*
- *Evidence of the roles that each party to FX Perpetual performed was provided to the FCA by SCM and Howard Kennedy before the issue of the SCM supervisory notice. The FCA ignored these representations has produced no evidence to support its allegations of breach of the General Prohibition"*

117. *"SCM comprehensively responds to the FCA re the SCM supervisory notice on 31 July 2017. SCM includes evidence that it acts as investment manager for FX Perpetual and evidence of the arrangements in place with each of its ARs. Furthermore, in relation to FX Perpetual, SCM has assessed every client for suitability. SCM would not undertake this assessment if it was acting in breach of the General Prohibition as the FCA speculate"*

118. *"On 31 July 2017, UKITI Mr Stamp and SCM apply to have the matters heard at the Upper Tribunal"*

119. *"In a letter dated 2 August 2017, the FCA tries to exclude SCMs representations. FCA asks SCM to confirm in writing that SCM does not wish the FCA to consider the written representations made on SCM's behalf by Howard Kennedy as set out in their letter of 29 June 2017. SCM has no intention of doing so. SCM confirms to the FCA that it does wish the FCA to consider the written representations made on SCM's behalf by Howard Kennedy as set out in their letter of 29 June 2017.*

SCM believes that the FCA is acting in bad faith in a deliberate attempt exclude evidence"

120. *"On 1 September 2017, the FCA's statement of the case against SCM is submitted to the Upper Tribunal. The FCA redact their statement of case in for SSCM/SCF v FCA (case no. FS/2017/011) but not (previously) their First Supervisory Notice"*

121. *"The FCA write to the Upper Tribunal on 18 September 2017. The FCA suggests to Judge Herrington that a case management hearing should not be held until after the RTC has issued its decision"*

122. *"SCM believes that the FCA's actions generally are predetermined and deliberate, evidence is ignored and distorted. Complaints made to the FCA by SCM, or by SCMs law firm Howard Kennedy from April and May 2017 have been deliberately delayed by the FCA"*

123. *"The RTC have now considered the SCM matters and as suspected by SCM continue on the same path with no amendment to their position. Mr Stamp's evidences were ignored and it appears that the outcome at the RTC was predetermined and biased towards the FCA"*

124. *"The FCA compel SCM to cease all activities. SCM and SCF have no revenue streams. The firms are essentially put out of business. SCM have no faith in the*

Regulatory Transactions Committee. SCM is afraid to attend it. SCM believe the outcome is already predetermined by the FCA"

125. "All of the following eleven documents were sent by SCM to the FCA on 31 July 2017:

- *Technology Services agreement between SCM and UKITI;*
- *Service level agreement between SCM, UKITI and Hantec Markets Ltd;*
- *Service level agreement between SCM, UKITI and VIBHS Financial Ltd;*
- *SCM FX Perpetual brochure;*
- *SCM FX Perpetual managed account application form and power of attorney;*
- *SCM FX Perpetual monthly performance flyer;*
- *A comprehensive manual on how SCM outsources services to 'the cloud';*
- *Example correspondence that SCM has sent to one of its FX Perpetual account holders at VIBHS Financial Ltd;*
- *Example correspondence that SCM has sent to one of its FX Perpetual account holders at Hantec Markets Ltd;*
- *Partial transcript of my interview with the FCA from 15 December 2016 which explains in detail the nature of the relationship between UKITI and SCM; and*

- *Letter from Daniel Tunkel of Howard Kennedy (representing SCM and SCF) to the Regulatory Transactions Committee dated 29 June 2017. Section 3 of the letter is titled 'FX Perpetual', the most pertinent detail being 'The roles of the parties' at parts 3.4 through 3.8 and 'Role of UKITI"*

126. *"The FCA also sent SCM a supplementary Enforcement Document for the RTC Meeting on 26th Oct. The FCA said that Mr Stamp was given the opportunity to provide written submissions in respect of the FSN by 28th Sept 2017 but had not done so. Subsequently, the RTC on 16th Oct requested any submissions to be made by 23rd Oct. Mr Stamp sent the FCA his submissions on 20th Oct within the deadline. It, therefore, appears that the RTC completely ignored Mr Stamp's submissions before issuing the Second Supervisory Notice"*

127. *"I believe that the FCA's conduct towards SCM is as a result of its persecution of Mr Stamp"*

128. *"SCM contends that the FCA has made speculations against SCM and UKITI, which have no substance"*

129. *"SCM believes that the FCA's focus on SCM this as a direct result of the FCA's persecution of Mr Stamp. Mr Stamp has evidenced to me that he was never given the opportunity to argue about the Integrity Financial Solutions final notice at either the RDC or the Upper Tribunal. The FSA's assertions made by FSA's Tom Spender to*

Integrity's liquidator Peter Yeldon that Integrity had breached various COBS as a GTEP product provider were accepted by Mr Yeldon to enable him to embezzle funds from Integrity in liquidation as opposed to financing the cost of opposing the FSA's assertions. Mr Yeldon was subsequently stripped of his licence to carry on as a liquidator following his embezzlement of Integrity's funds. Mr Stamp has evidenced to me that in a leading Counsels opinion that Integrity was not the GTEP product provider, HBOS and NBS were. Mr Stamp informs me that he believes that Tom Spender deliberately diverted attention away from HBOS and its role as the GTEP product provider in the Integrity Final Notice so as to protect HBOS from further regulatory action and consumer complaints. Tom Spender subsequently became head of legal at Lloyds bank who took over ownership of HBOS in 2009"

130.

1. *"Mr Stamp has made five applications to become an FSA FCA approved person since the Integrity Final Notice, each application is neither accepted or rejected by the FCA the applications are simply put in the long grass"*

2. *"Mr Stamp informs me that following legal advice he has received that he has withdrawn his and UKITIs Upper Tribunal Hearings as he has no third-party rights"*

3. *"In a letter from Martin Watts of the FCA dated first of December 2017 to the Upper Tribunal, Mr Watts states that. The authorities admit that, while acknowledging the tribunal's powers to restrict the matters on which UKITI Mr Stamp may make submissions, permitting them to make submissions at the outset is likely to result in unnecessary additional time and expense for all parties concerned. It is SCM's*

position that submissions from Mr Stamp should be taken into account by the Upper Tribunal as it will provide context and background to the matters being considered at the Upper Tribunal relating to SCM"

131. I meet my member of parliament, Caroline Dinenage MP. On 9 December 2016, Ms Dinenage writes to Andrew Bailey, CEO of the FCA to raise concerns about the farcical process and length of time elapsed with the UKITI appointed representative application. Andrew Bailey's reply to Ms Dinenage is (Item 30).

132. I believe that this event was the catalyst for the FCA's subsequent focus on SCM during which SCM believes the FCA have breached statutory process and acted in bad faith.

133. The FCA focuses many questions in the UKITI AR application on Integrity Financial Solutions Ltd (Integrity").

134. As part of the AR application, and following Caroline Dinenage MP's letter on 9 December 2016 to Andrew Bailey, I was invited to attend an interview at the FCA on 15 December 2016 ostensibly to discuss the UKITI AR application. The 'interview' is an interrogation. The 'interview' lasts four and a half hours, was taped and was designed to entrap me. At the beginning of the interrogation the FCA ask me why I am not legally represented, I answer, I have no need to be legally represented. The interview focuses in large part on Integrity and what I had learned about Integrity. The interrogation focused very little on UKITI and more on unregulated things I was doing and had done.

135. UKITI, my unregulated software firm, had designed and developed CVaR (conditional value at risk) fund management software system based on dynamic volatility rebalancing of ETFs. The software is designed to constrain downside risk within annual constraint levels of -3% to -25%. The software was thoroughly tested and demonstrated a 95% mathematical confidence level of complying to the risk constraint levels. SCM and UKITI had recruited counterparties in collaboration to offer a pension switch and transfer service. SCM as a fund manager, an IFA firm as an adviser, a SIPP trustee, Red Swan, a marketing company, Pensions Legal and an administration company, eparaplanner. SCM aimed to manage pension funds at the SIPP via its licence of the UKITI CVaR software.

136. SCM planned to grow its business in 2017 via the pension collaboration under its trading name Wealth Fortress DFM.

137. Wealth Fortress DFM was a registered trading name of SCM from 5 December 2016 to 2 February 2017, as can be seen on the FCA register (Item 31).

138. Following my interrogation on 15 December 2016, the FCA wrote to Pensions Legal. SCM was relying on Pensions Legal to generate new business via its leads supply to IFA firm WDFS Ltd. The FCA made contact with WDFS Ltd and Red Swan, the collaboration SIPP provider. The effect of the FCA contact caused Pensions Legal, WDFS Ltd and Red Swan to cease their involvement with SCM and the collaboration.

139. I believe that the FCA acted in bad faith by its systematic approaches to Pensions Legal, WDFS Ltd and Red Swan.

140. The collaboration could no longer proceed due to the FCA's intervention. SCM and UKITIs businesses were severely damaged by the FCA dismantling the collaboration.

141. During the FCA's call to WDFS Ltd's compliance officer, the FCA suggests that elements of the SCM investment proposition (rather it was a sample portfolio) are high risk and that WDFS Ltd should not recommend the proposition to one of its clients. The FCA did not base their assertions on any research or fact as it did not understand the SCM Wealth Fortress DFM CVaR strategy.

142. On 5 January 2017, the FCA's supervision department visit SCM.

143. During February 2017, the FCA starts a review of SCM and SCF. The FCA wants SCM and SCF to submit to an s.166 review and VREQ which would involve SCM and SCF imposing restrictions on all their activities.

144. On 8 February 2017, SCM attend a meeting at the FCA's offices.

145. On 16 February 2017, in a letter from Russell Moore of the FCA, SCM is requested to sign a Voluntary Requirements form ("VREQ") to cease all activities. The FCA is insistent upon SCM signing the VREQ.

146. SCM did not sign it as to do so would cause SCM's activities and income to stop entirely. It would then be nonsensical to SCM to submit to an s.166 review as SCM could not afford to instruct an s.166 review. If the s.166 review had identified any weaknesses, it would be impossible to rectify them as SCM would have no business ventures left.

147. Moreover, SCM was being asked to sign the VREQ to cease all activities before the FCA had (i) provided any evidence of alleged wrongdoings and (ii) ascertained any weaknesses. (iii) cautioned SCM or UKITI or me. The FCA insisting on SCM signing a VREQ without any evidence of wrongdoing or establishing any weaknesses in SCMs business was in bad faith.

148. SCM would have agreed to a s.166 review on the basis of carrying on with SCMs business ventures. If the s.166 review identified any weaknesses, SCM would have put them right. This approach would have been in the spirit of the FCAs attestation policy.

149. Daniel Tunkel of Howard Kennedy (SCM appointed lawyer) describe the s.166 as a "fine before the event". More than that, the FCA's actions are contrived. The FCA attempted to bully SCM into following a nonsensical process that is not in the best interests of SCM or its customers. The FCA are in breach of process.

150. I believe that the FCA simply want to ruin me, SCM and SCF and UKITI.

151. SCM wanted to bring in additional resources to build its business and improve its prospects.

152. On 16 February 2017, I submitted a Notification for Change in Controller application of SCM (a Section 178 notice) to the FCA. The application reference was CIC/191763/KE. This, essentially, would cede control to me, I planned to restructure SCM, improve its systems and controls and provide a bigger and better infrastructure. A business plan and all requested submissions were made to the FCA by me.

153. The FCA replied on 22 February 2017 to state that the application was incomplete but do not state what is incomplete.

154. On 1 March 2017, SCM ask me to withdraw the change in Controller application (a Section 178 notice) to the FCA with reference was CIC/191763/KE. SCM are fearful of the FCA and fear repercussions and persecution.

155. On 14 March 2017, SCM attend a meeting at the FCA's offices.

156. The FCA allege that SCM has assisted UKITI, or conspired with UKITI, to breach s. 19, the General Prohibition. The FCA want SCM to close down FX Perpetual managed accounts. The FCA has acted in an irregular and improper fashion in that: 1) SCM has never been cautioned; and 2) On two occasions, the FCA press SCM to correspond with their investors in a manner that breaches privilege against self-incrimination. The FCA was attempting to entrap SCM (and, by inference, me and UKITI) while not following procedure.

157. Howard Kennedy informs the FCA that closing FX Perpetual managed accounts (for which SCM is the investment manager) will result in consumer detriment by clients losing money. Daniel Tunkel of Howard Kennedy's letter dated 25 April 2017 is (Item 32).

158. SCM categorically deny the FCA's allegations that SCM has placed UKITI in a position where its activities amount to breach of the General Prohibition.

159. SCM offers to sign the VREQ on the basis that, in the best interests of investors, FX Perpetual continues running with SCM or via a replacement investment manager. This course of action is reasonable as 98% of the FX Perpetual investors want to continue with their managed accounts. There are no complaints from FX Perpetual account holders. The FCA is warned by Howard Kennedy that the closure of FX Perpetual will cause client losses. The FCA refuse this (despite the FCA initially indicated that they would be willing to consider the appointment of a replacement investment manager, they later change their minds and are not interested in this). The FCA cause consumer detriment for forcing the closure of FX Perpetual, cause damage to UKITI and me.

160. SCM was criticised by the FCA for a difference in FX Perpetual client account values between realised trades and unrealised trades. Some of the unrealised trades were hedged trades. The policy of hedging is clearly stated in the FX Perpetual literature. During the early part of 2017, the difference between realised and unrealised trades was circa 20%. By the time that the FCA compelled SCM to terminate the FX

Perpetual programme on 30 June 2017, the difference in client account values between realised trades and unrealised trades was circa 11%. SCM believes that the differential would have been reduced to 0% by October 2017. This significant improvement (in a short space of time), allied with the fact that the majority of FX Perpetual investors wished to maintain their accounts, is proof of consumer detriment brought about by the FCA acting in bad faith.

161. The FCA provides no evidence to support their allegation that SCM and UKITI have breached the general prohibition nor that SCM has aided and abetted UKITI by SCM giving regulatory legitimacy, no evidence is provided, as no such evidence exists.

162. SCM is unaware of the FCA making the same allegations of aiding and abetting UKITI against Hantec and Vibhs Financial Ltd (the FCA authorised trade execution brokers for FX Perpetual). If SCM has aided and abetted UKITI then so has Hantec and Vibhs Financial Ltd.

163. The FCA has delayed SCM's complaint made in Daniel Tunkel's letter of 23 May 2017.

164. SCM and SCF is given no time by the FCA to rectify any alleged weaknesses. SCM believes that if there are any weaknesses, SCM should be given a reasonable amount of time to put things right. The FCA has an attestation procedure described on its website (Item 33), a supervisory tool for putting things right, ensuring that regulated firms – and senior managers within them – are clearly accountable for taking the actions the FCA requires on specific issues. No such procedure was offered to SCM.

165. The FCA delays reviewing SCMs complaint to the FCA made on 23 May 2017 (Item 34).

166. FCA is deferring their investigation of SCM complaint because "your complaint is connected with, or arises from, some form of continuing action by the FCA." The FCA reply is (Item 35).

167. Howard Kennedy wrote to the FCA with a detailed rebuttal of the FCAs allegations on 29 June 2017; the letter covered in detail why UKITI were not providing fund management services. The FCA ignore this letter. The FCA issue a First Supervisory Notice to SCM dated 27 June 2017.

168. On 23 June 2017, Howard Kennedy wrote to the FCAs Regulatory Transactions Committee (Item 36). SCM confirms that it while it can comply with many of the actions required of it by the FCA, it objects to terminating relationships concerning FX Perpetual on the basis that:

(i) it objects to the reasoning that the FCA has adopted;

(ii) it requires time to make proper representations;

(iii) it is invidious for the FCA to require termination before SCM making proper representations;

(iv) FX Perpetual is SCM's main income stream;

(v) the FCA's course of action is not in the best interest of investors and will cause consumer detriment.

169. FCA issues Revised (un-redacted) First Supervisory Notice to SCM/SCF.

170. On 7 July 2017, the FCA publishes the Revised First Supervisory Notice to SCM/SCF (Item 37). The First Supervisory Notice is dated 27 June 2017 but not published until 7 July 2017. The first publication of the notice is un-redacted (Item 38). The notice makes false, unfounded allegations. Howard Kennedy's letter to the FCA with a detailed rebuttal of the FCAs allegations on 29 June 2017 is ignored.

171. As a result of being named in the First Supervisory Notice (generically as "UKITI's director in the case) an article is published by Citywire. The article repeats unfounded allegations made in the SCM First Supervisory Notice. As a result of the FCA's actions in bad faith, UKITI and I are damaged. UKITI's reputation is destroyed. I should have been given the opportunity to defend UKITI and my position as I have third party rights, preventing me from representing my position is a breach of my human rights. https://publications.parliament.uk/pa/cm201617/cmselect/cmtreasy/maxwellisation/a-review-of-maxwellisation-24-11-16.pdf (Item 39)

172. SCM, UKITI and I are damaged by the FCA's publication of the supervision notice. SCM is relying upon its working with UKITI for revenues. Despite Daniel Tunkel's vigorous arguments and evidence provided to the FCA to support SCM's position, the FCA published the First Supervisory Notice regardless. The FCA's actions in bad faith effectively end UKITIs, SCM's revenue streams from FX Perpetual, and the pension collaboration.

173. FCA publishes Revised (redacted) First Supervisory Notice to SCM/SCF on 14 July 2017.

174. A redacted version of the Revised First Supervisory Notice is later published by the FCA (Item 40). Howard Kennedy's letter to the FCA with a detailed rebuttal of the FCAs allegations on 29 June 2017 is still ignored. SCM believes that this is FCA bad faith.

175. On 29 June 2017, Daniel Tunkel confirms to the FCA SCM and SCF's (reluctant) compliance with the Revised First Supervisory Notice (Item 41).

176. The letter raises a number of issues with the FCA. Amongst other things:

(i) The FCA insists on a s.166 report which is a "fine before the event".

(ii) The FCA has not satisfactorily explained why a s. 166 report is needed or is of use.

(iii) Official complaints are (and remain) unanswered, including a complaint of the conduct of those involved in the First Supervisory Notice, chiefly Mr Moore.

(iv) The FCA has accused SCM and UKITI of criminal conduct. Yet, neither any authorised person at SCM or I have never been cautioned.

(v) Compelled closure of FX Perpetual has caused consumer detriment.

(vi) Evidence of the roles that each party to FX Perpetual performed was provided to the FCA by SCM and Howard Kennedy before the issue of the SCM

supervisory notice. The FCA ignored these representations has produced no evidence to support its allegations of breach of the General Prohibition.

177. SCM comprehensively responds to the FCA re the SCM supervisory notice on 31 July 2017. SCM includes evidence that it acts as investment manager for FX Perpetual and evidence of the arrangements in place with each of its ARs (Items 42, 43, 44, 45, 46, 47 ,48 ,49 and 50). Furthermore, in relation to FX Perpetual, SCM (not UKITI) has assessed every client for suitability. This is evidence of SCM's control. SCM would not undertake this assessment if it was acting in breach of the General Prohibition as the FCA alleged.

178. On 31 July 2017, I, UKITI and SCM apply to have the matters heard at the Upper Tribunal.

179. In a letter dated 2 August 2017, the FCA tries to exclude SCM representations (Item 51). FCA asks SCM to confirm in writing that SCM does not wish the FCA to consider the written representations made on SCM's behalf by Howard Kennedy as set out in their letter of 29 June 2017. SCM has no intention of doing so. SCM confirms to the FCA that it does wish the FCA to consider the written representations made on SCM's behalf by Howard Kennedy as set out in their letter of 29 June 2017. The FCA is acting in bad faith in a deliberate attempt to have SCM exclude evidence.

180. On 1 September 2017, the FCA's statement of case against SCM is submitted to the Upper Tribunal. The FCA redact their statement of case in for SSCM/SCF v FCA (case no. FS/2017/011) but not (previously) their First Supervisory Notice.

181. The FCA write to the Upper Tribunal on 18 September 2017 (Item 52). The FCA suggests to Judge Herrington that a case management hearing should not be held until after the RTC has issued its decision.

182. The FCA has acted in bad faith towards UKITI, me, SCM and SCF.

183. The FCA's actions generally are predetermined and deliberate. Complaints made to the FCA by SCM, or by SCMs law firm from April and May 2017 have been delayed.

184. The FCA's actions regarding SCMs AR application for UKITI does not follow the usual process that SCM has previously experienced on a number of occasions. The FCA has not provided any reason why I would not be considered fit and proper to perform a controlled function for SCM's proposed AR, UKITI. In the absence of a reason as to why I would not be considered fit and proper to perform a controlled function, I reasonably expected the AR application to be granted. The continued frustration of the AR application (neither approving nor rejecting it) has damaged me SCM and UKITI.

185. I believe that the FCA's conduct towards SCM is as a result of its persecution of me.

186. The FCA has no evidence of the alleged wrongdoing that UKITI, SCM is accused of.

187. The FCA compel SCM to cease all activities. SCM and SCF have no revenue streams. The firms are essentially put out of business. SCM have no faith in the Regulatory Transactions Committee. SCM is afraid to attend it. SCM believe the outcome is already predetermined by the FCA.

188. At the outset of SCM's relationship with UKITI, SCM was aware that UKITI had been involved in various arrangements with a similar, if not, in some cases, the same structures that were in place for FX Perpetual between SCM, Hantec/Vibhs Financial Ltd (as brokers) and UKITI.

189. My firms have licensed similar software to other fund managers, Independent Portfolio Managers Ltd ("IPM"), Emerging Asset Management Ltd and Catalyst Fund Management Ltd and these firms have transmitted trade signals from my firm's designed algorithms to the brokerages. Host Capital Ltd also offered to work with a software license from one of Mr Stamp's companies.

190. Other brokerage firms that my firms have worked in the past under similar or the same arrangements include GFT, London Capital Group Ltd ("LCG"), Alpari, GO Markets and Think Forex.

191. If SCM has aided and abetted me then so have the other fund managers and all the brokers.

192. I have an opinion from a compliance expert and FCA CF10 registered individual dated 30 December 2016 which states that, in their opinion UKITI was not conducting any regulated activity.

193. UKITI is not conducting any investment business. The CF10's at Hantec, Vibhs Financial Ltd sign up to SLAs between SCM their firm and UKITI. If they had concerns, they would not have signed the SLAs and conducted business with SCM and UKITI.

194. The FCA (at the time, the FSA) looked into this type of structure at IPM with LSC, my firm similar firm to UKITI which had similar arrangements. If the FCA had any concerns, action would have been taken against IPM and LSC. No action was taken. A High Court judge looked into this type of structure between IPM, LSC and LCG. LCG alleged that LSC was operating without a licence. The High Court judge did not support LCGs assertions that LSC was providing investment management services. LCG paid a settlement to LSC. The Ombudsman looked into this type of structure between IPM, LSC and LCG. LCG alleged that LSC was operating without a licence. The Ombudsman did not support LCGs assertions that LSC was providing investment management services, LCG paid out to their customers.

195. LSC took LCG to the High Court for damages for lost dealing spread income caused by failures at LCG and breach of contract.

196. IPM was licensing LSC software under the same structure as that between UKITI and SCM.

197. LSC earned 100% of the dealing spreads as a license fee for software rental.

198. K&L Gates represented LSC with a counsel opinion from Charles Marquand. LCG were represented by Pinsent Masons. LCG attempted to have the damages claim thrown out due to their assertion that LSC had no right to the dealing spreads as it was unregulated, and its license of software to IPM was in some way a breach of FCA principles. The High Court judge threw out LCGs assertions and the LSC matter went ahead at the High Court. LCG settled the claim in LSCs favour.

199. Furthermore, despite LCG defending itself for two years against complaints made to the Financial Ombudsman Service ("FOS"), FOS found against LCG with LCG subsequently settling claims over commission rebating errors it made on the accounts operated under the same structure.

200. The FSA investigated IPM themselves regarding LSC licence of algorithms to IPM (which included two visits to IPM) and found no regulated activities carried out by LSC. This is reinforced by the High Court judge in the LCG trial, and the Ombudsman awards against LCG who alleged that Mr Stamp's company LSC was trading without a license.

201. All of the following eleven documents were sent by SCM to the FCA on 31 July 2017:

1) Technology Services agreement between SCM and UKITI;

2) Service level agreement between SCM, UKITI and Hantec Markets Ltd;

3) Service level agreement between SCM, UKITI and VIBHS Financial Ltd;

4) SCM FX Perpetual brochure;

5) SCM FX Perpetual managed account application form and power of attorney;

6) SCM FX Perpetual monthly performance flyer;

7) A comprehensive manual on how SCM outsources services to 'the cloud';

8) Example correspondence that SCM has sent to one of its FX Perpetual account holders at VIBHS Financial Ltd;

9) Example correspondence that SCM has sent to one of its FX Perpetual account holders at Hantec Markets Ltd;

10) Partial transcript of my interview with the FCA from 15 December 2016 which explains in detail the nature of the relationship between UKITI and SCM; and

11) Letter from Daniel Tunkel of Howard Kennedy (representing SCM and SCF) to the Regulatory Transactions Committee dated 29 June 2017. Section 3 of the letter is titled 'FX Perpetual', the most pertinent detail being parts 3.1 to 3.17 including 'The roles of the parties' at parts 3.4 through 3.8 and 'Role of UKITI' at parts 3.

202. I contend that the FCA is making allegations against UKITI, me that have no substance with no evidence to support them.

"In an appeal to the Stargate Second Supervisory Notice to the Upper Tribunal, Stargate says: Managing investments

The other speculation by the FCA in the First and Second Supervisory Notices against UKITI is that UKITI and not SCM may have been providing investment

management services relating to FX Perpetual. The FCA has not relied upon any specific regulatory provisions in support of this speculation.

Managing investments is a specified activity under Art 37 of the Regulated Activities Order if it involves the exercise of discretion. It involves some kind of deal execution as opposed to merely making arrangements.

The creation, development and maintenance of the software by UKITI does not amount to investment management. Many fund managers rely on automated systems. UKITI created the algorithms, the algorithms under SCM control automatically transmitted trade positions to SCM appointed currency brokers Hantec markets (HML) and Varianse (VIBHS) via its artificial intelligence design as currency prices moved. The whole purpose of the software is to by-pass any manual decision making as positions are traded. The FCA's observation that there is no evidence of SCM making any decisions itself misses the point, systems that operate under artificial intelligence make decisions based on their pre set and SCM approved parameters.

If the FCA persist in their speculation that SCM may have been aiding and abetting UKITI, and in light of the prevalence of this type of software in the fund management market (which will only increase), many other fund managers would also be aiding and abetting their retained software providers, irrespective of whether the software was coded in-house or via an outsource arrangement as is the case between SCM and UKITI.

SCM performed all of the functions one would expect of a fund manager, including controlling the parameters of the software, monitoring all open trade positions via its online access to the brokerage accounts which were set up under SCMs name and control at HML and VIBHS and via an additional online MT4 reporting application.

SCM, UKITI and HML entered into a Service Level Agreement on 11 November 2014. The conditions are as follows:

a. *SCM was the provider of discretionary investment management services for the managed accounts;*

b. *UKITI designed and created trading systems and strategies that are employed by SCM who transmit them to HML for the execution of trades. "No regulated activities are conducted";*

c. *UKITI would be paid (i) dealing fees at "5 pip round turn"; (ii) performance fees at 30% subject to a 6% annual hurdle rate, and (iii) account set up fees at 2% of the investment amount;*

d. *HML's responsibilities included custodian and banking services, trade pricing and trade execution;*

e. *SCM's responsibilities included "investment management, including trading strategies and risk management applied";*

f. *UKITI's responsibilities included "ongoing design, amendment, improvement and creation of financial solutions for clients involving FX trading";*

g. *UKITI "does not require regulatory approval to conduct its activities and maintain its responsibilities within this document. However UKITI will, at all times, operate within any applicable legal and regulatory framework required, and will endeavour to operate using best practice".*

SCM, UKITI and VIBHS entered into a Service Level Agreement on 1 April 2016 in very similar terms.

The FX Perpetual Information Brochure contained the following information, so far as is relevant:

h. *It stated that FX Perpetual was a product managed by SCM, who was authorised and regulated by the FCA.*

i. *It explained that FX Perpetual was a "fully automated systematic algorithmic trading system that operates in real time".*

SCM had ultimate control over the software and controlled the switching on and off of the algorithms. The instruction by the FCA for SCM to close all positions at HML, which is complied with by SCM in June 2017 is evidence itself of SCMs control.

The FCA speculate that SCM may have been aiding and abetting UKITI in unauthorised fund management. If the FCA persists with this speculation, the same speculation must also apply to the FCA authorised brokers, HML and VIBHS.

SCM carried out due diligence on UKITI before licensing UKITI's artificial intelligence, algorithmic trading software"

203. The FCA have published the treatment a paper on the use of algorithms by fund managers, much of the guidance has yet to come into force as its part of MIFID 11 https://www.fca.org.uk/mifid-ii/8-algorithmic-and-high-frequency-trading-hft-requirements

204. The FSA and FCA have deliberately protected their relationship with HBOS by blaming Integrity as a GTEP product provider. The FSAs strategy transferred the blame for the GTEP product failure on to Integrity. The FSA knew that compensation would be funded inadequately by the FSCS on the basis that Integrity was a failed

product provider. The Treasury Select Committee and Andrew Green QC detail the FSAs failures and conflicts of interest between the FSA and HBOS https://www.parliament.uk/business/committees/committees-a-z/commons-select/treasury-committee/news-parliament-2015/hbos-report-published-16-17/ (Item 53)

205. My reputation has been significantly damaged by the unproved and inept Integrity Final Notice. The FCA has repeatedly breached my third party rights under FSMA 2000. I had statutory right to make representations in response to the notices (s.397 FSMA) as detailed in the Supreme Court's decision in FCA v Macris [2017] UKSC 19 (handed down on 22 March this year).

206. Statutory protection for "third party rights" is set out in section 393 FSMA. I should have been given a copy of the notices (s.393(1)) and an opportunity to make representations in response to them (s.393(3)).

207. The FSA FCA have breached my human rights by not providing me with an opportunity to represent my position, the Integrity Warning Notice in 2009, the Integrity Decision notice in 2010, the Integrity Final Notice, the Stargate Supervisory notice.

208. The FSA FCA have deliberately obstructed each and every application I have made (or for a firm under my control) to become FSA FCA authorised, this has significantly damaged my abilities to earn a living.

209. The FCA has deliberately set about to destroy relationships I have (or my firms) with regulated counterparts where my firms provide unregulated services.

210. The FCA has speculated that UKITI and I may have breached the General Prohibition without any evidence or opportunity to defend my position, this has significantly damaged my reputation and caused me damages.

211. **Judicial Review**

212. On the basis that the Complaints Commissionaire has rejected my complaint on November 29th 2018 and published his decision on 21st December 2018 on the matter of Integrity's Final Notice and the series of failed licence applications made by me from 2010 to 2016. The Commissionaire states I did not complain (to the FCA) within one year from becoming aware of the circumstances. I assert that I did complain to the FCA and the Complaints Commissionaire in time, my original complaint to the FSA was made within one year of the Integrity Final Notice in 2010, letters from George Hollingberry MP in 2010 was a complaint. I complained again via my MP Caroline Dinanage MP in December 2016. I got the FCA into the Upper Tribunal to argue my matters dating back to 2010. Judge Herrington informed me that I had no Third Party Rights and he could not review my matters. Judge Herrington at the Upper Tribunal advised me to go to the Civil Courts and or make a complaint to the FCA Complaints Commissionaire. I took advice on my civil rights prospects from senior Counsel, the advice I received was that the FCA would need to admit to misfeasance, I was unlikely to get such an admittance, I was further advised by Counsel that I had a Human Rights

claim against the FCA but the heads of damage would be capped and I would therefore be out of pocket in funding a Human Rights claim. I dropped the misfeasance claim and Human rights claim. I made my complaint to the Complaints Commissionaire in April 16th 2018.

213. I want a judicial review, of:

214. The Integrity Final Notice, specifically how the FCA stated that Integrity was the GTEP product provider, Integrity did not provide anything more than an unregulated facilitation service.

215. How the deal the FCA did with a dishonest liquidator (struck of for fraud) that led to the Integrity Final Notice can stand.

216. The licence applications, specifically the last one made in 2015, I was put in the non-routine team, why. Why the FCA (after Caroline Dinnanage MP complained) re the 16 months of long grass excuses interrogated me and kept on asking questions re Integrity and what I had learned.

217. Why the FCA ignored Howard Kennedy representations re UKITI, issued the Stargate Supervisory notice with my name and UKITI 80 times. The FCA had comprehensive evidence and representations prior to the publication of the SCM

Supervisory Notice that UKITI was providing an unregulated software and administration service to Stargate.

218. How the FCA used an exemption in my Upper Tribunal hearing, by using their no third party rights play book, which they only achieved after doing a deal with in January 2018 which denied me third party rights.

219. The deal FCA and Stargate struck in January 2018 where Stargate where forced to agree to a condition that SCM would never work with me again.

220. The excessive time that has passed for the Complaints Commissionaire to decide on the second part of my complaint relating to UKITI and the FCA Supervisory Notice that I assert was published in bad faith by the FCA to destroy my reputation.

This statement is true to the best of my knowledge and belief. If it is used in evidence I understand that I will be liable for prosecution if I have wilfully stated in it anything that I know to be false or do not believe to be true.

Signed ________________________________

Iain Clifford Stamp

Date ________________________________