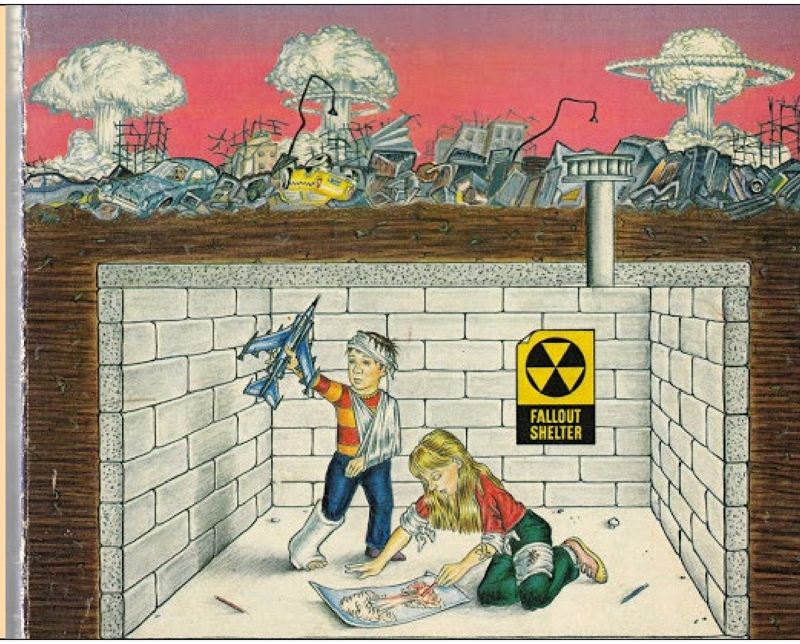


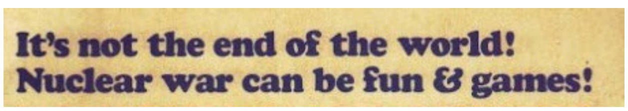
NUCLEAR WAR FUN BOOK

Priscum July Newsletter

IN THIS ISSUE

Welcome to the July Edition of the Priscum Newsletter

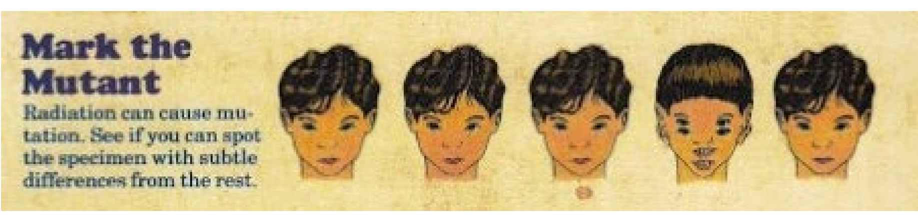
By Alex Wrightson



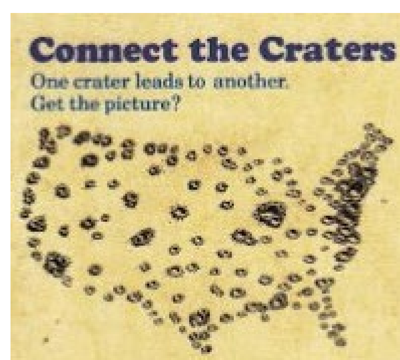
Hello and welcome to the July edition of the Priscum newsletter.

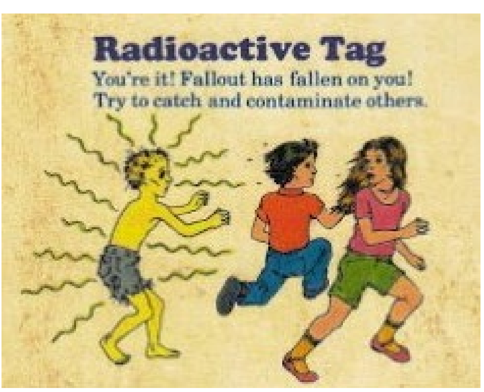
I was looking for a Humorous Illustration for the Articles about the Fallout from the Woodford Funds. I came across a Fun activity book about Nuclear fallout!!!

You too can play games such as Mark the Mutant, Connect the Craters or radioactive tag.



Also in todays Newsletter Keith is going to Claim Child care costs for me running the business using a new Government scheme. A brief update on anti money laundering guidance. Some Large fines from the ICO to BA and the Marriot hotel chain. There are also some interesting Articles about the pensions running out before people are dead. There have also been more Housing competitions that have fallen foul of the advertising Standards agency, after they changed their terms and conditions half way through the Competitions.





Priscum Update

A Date for your Diary for September 12th 2019

We have booked our next seminar it will be at the Old Coventrians Rugby Football Club In Coventry on Thursday September 12th 2019 **START TIME 10.30 AM prompt.**
We will be discussing: Completing the New Business Register, Anti-Money Laundering Training, Anti- Bribery and Corruption Training, Adviser and staff Competency ahead of the new Senior Manager and Certification Regime coming into force on December 9th 2019. I will send out a formal invite shortly.

Keith is going to try and claim child care costs for me running his business

For many working parents, childcare costs can play a large role when planning a return to work, or considering their career options and working hours. Now that childcare vouchers have closed to new entrants, we are reminding employers that help is at hand with Tax-Free Childcare, a government scheme to help working parents with the cost of childcare.
Eligible parents could get up to £2,000 per child, per year, to spend on qualifying childcare. For parents with 2 children, that could mean a saving of £4,000 on the family budget. You don't need to do anything, but telling your employees about Tax-Free Childcare could:

- help them with their childcare costs
- help their return to work
- help them work more hours, if they want to
- help you retain staff you've invested in.

For more information, tell your employees to visit www.childcarechoices.gov.uk/tfc2.

Clock is ticking on SMCR compliance

Anti money laundering guidance

On line statement printed by the applicant is NOT good enough. In the official guidance, they specify that original documents must be used, and photocopies or documents printed by an applicant are not acceptable. Excluded from this list of acceptable documents are mobile phone statements, which can not be accepted in any form. With the ever increasing use of online billing and paper-less accounts this can cause an issue for some applicants. We recommend that applicants contact their statement or utility provider as they will normally be able to provide a paper document with the current address on. Most Banks/Building Societies will be able to print a statement in a local branch if requested, although some may charge a fee for this if it is outside of the normal statement period. When requesting a statement in branch please ensure that they print it on headed paper and date stamp the document to confirm that they have issued it. If this is not done we are unable to differentiate between a statement printed by the bank or one printed by the applicant. Please remember to ensure that the document produced is within the time-frame stated on the guidance notes.

Pensions Update

Women face £100k pension gap
Advisers welcome DB transfer template
Johnson vows to 'fix' pension allowance amid NHS staffing crisis
More long-term pensions thinking required
Pure Retirement cuts rates and minimum age requirements
Adviser told to pay out despite consulting regulator
PFS points to 'clear limitations' in DB transfer data
Quarter of judges breach pension tax allowance
Millions still not saving for retirement
Govt to make changes to all public sector pension schemes

Half of FTSE 100 DB schemes could buyout within 10 years, finds Barnett Waddingham

Woman wins right to military pension in landmark ruling

FCA would consider redress scheme for DB advice

Retirement clock is ticking

Knowing how much clients will need to save in order to be comfortable in their later years is a challenge, as retirees start to live for longer after giving up work. AJ Bell recently published research which suggests those who want to retire at the age of 65 will need a pension pot of £447,000, for an average salary in retirement that would sustain an individual until the age of 100. That means a 25-year-old would need to be saving £235 a month to reach that goal, while those clients who start saving at age 35 will need to set aside almost double that at £428.

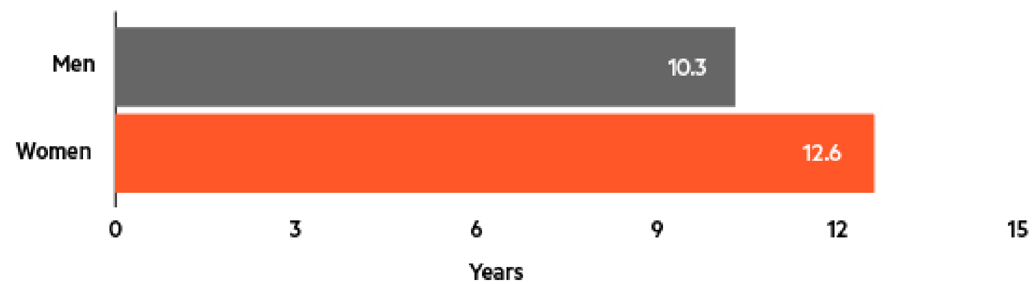
Outliving pensions is 'clients' biggest fear' **Retirees struggle after dipping into pensions**

The World Economic Forum has found there is a real chance many retirees will outlive their savings. It is a particular risk for women, whose life expectancy past their savings is 12.6 years. Advisers can help clients prepare for later life by constructing retirement portfolios invested in a range of asset classes that will accumulate enough funds. But there is no time to lose.

Retirement savings deficit - years saved versus life expectancy

Average savings in the UK: 8.5 years

Life expectancy past savings



Mortgages Update

FCA 'not brave enough' to tackle mortgage prisoners

Treasury to push for 'rent recognition'

Boris Johnson considering switching stamp duty from buyer to seller

Leasehold sales fall sharply as warnings and government action kick in

Rightmove data suggests shift to buyers' market as prices dip

UK rents rise at fastest pace in two years

FCA Regulation Roundup

FCA criticised for 'not knowing' its own rules

FCA charges proposals to 'confuse consumers'

FCA concerned about firms not tackling tech risk

FCA to replace its Gabriel data collection system

The FCA have advised they have issued an announcement today on their website regarding a replacement system to GABRIEL. An integral part of the changes is improving the way they collect the GABRIEL data and they have announced today that they have begun work to create a new platform. This will replace the current GABRIEL system. Work is at an early stage. They want to implement an easy-to-use system that is efficient for firms and can be adapted to their changing needs. The FCA recognise moving to a new platform can initially bring additional tasks for users, and they are looking to work with firms, the APCC and other key stakeholders during its

development. They are keen to get feedback from firms that use Gabriel. The FCA have asked if our members and their firms would complete an online survey.
complete our survey (link is external).
The FCA will provide updates on progress and publish survey feedback later this year when they will speak with stakeholders to discuss the feedback themes and plans for to collect data.

Financial Advisers

Action to improve pension transfer advice
We published the results of the data we received from firms carrying out Defined Benefit transfers and set out the next steps in our supervisory work.
We have repeatedly made clear our expectations of financial advisers and strengthened the rules on pension transfer advice. Despite this, too much advice we have seen to date is still not of an acceptable standard. We are concerned that firms are recommending too many customers transfer out.
We have already started visiting some firms. We will write to all firms where we have identified the potential for harm.

Mortgage advisers & Lenders

Unfair terms – latest undertaking published under the Consumer Rights Act 2015 (CRA)
We have published an undertaking from ETA Services Ltd about an unclear term in its Cycle Insurance Policy. We had concerns that an exclusion term was not sufficiently transparent because it contradicted another term. As a result, consumers may have been confused about whether the policy covered them and whether they could make a claim. The firm fully co-operated in resolving our concerns.
We remind firms to ensure their contracts comply with the fairness and transparency requirements under the CRA and the Unfair Terms in Consumer Contracts Regulations. Read further information about our powers and other publications.

Banks, Building societies, Brokers

Business Continuity Planning – Multi-Firm review
We reviewed business continuity planning (BCP) in several small- and medium-sized retail banks, payments institutions and electronic money institutions. We found that firms often take steps to build resilience to prevent events from occurring. However, anticipating that events will occur and carrying out proper planning and testing will allow firms to be better prepared to respond to and recover from events.
We also assessed how firms are considering consumer harm and the proactive steps they take to identify and remediate.
More information on this review, including findings that we encourage firms to consider, is on our website.

General Insurance Intermediaries & Insurers

Employers' Liability Insurance Tracing (ICOBS 8.4)
The timelines and method for insurance firms to submit their directors' certificate and auditors' reports (Employers' Liability Register compliance return) to us have changed this year. Following our handbook notice in September 2018, firms must submit this return via an online form between 1 August and 31 August each year, starting this year. Firms submitting their return after this date will be charged a £250 late administration fee. Full details on how to access the online form are on our website.

Signposting to travel insurance for consumers with medical conditions CP
Some consumers with pre-existing medical conditions (PEMCs) are suffering harm because they are either overpaying for travel insurance, travelling without cover for their condition or cancelling travel plans because they cannot get cover for a condition.

Working alongside industry and consumer groups, we want to take action to make sure people with PEMCs get the right travel insurance at a fair price. We want insurance firms to signpost consumers to a directory of specialist travel insurance providers when:

- cover is declined due to the customer's medical condition.
- cover is offered but excludes the PEMC, or
- an offer includes loaded premiums to cover the PEMC.

Send us your feedback on our proposals by **15 September 2019.**

Brexit

Is your firm prepared for Brexit?

The UK will leave the EU without an implementation period on 31 October 2019 unless a deal is approved or a further extension is agreed. We expect all firms to continue to plan for all scenarios, including a no-deal Brexit at the end of October 2019.

You should consider the impact of Brexit on your business. You should have plans in place to address any risks for your firm and any impact it could have for your customers.

Further details can be found here.

EU Benchmark Regulation

Under the Benchmark Regulation, benchmark administrators based in the EU, with users who are supervised entities based in the EU, have until 31 December 2019 to apply to become authorised. If they don't apply by then, supervised entities will not be permitted to use those benchmarks in the EU after 31 December 2019. Supervised entities will need to check the ESMA Register here to ensure their benchmark administrator is already on it – or, if not, contact them. They should also check their fallback plans are adequate in case they can no longer use their benchmarks.

Claims Management Companies

CMCs must act now on final authorisation deadline

The second authorisation deadline for claims management companies (CMCs) is 31 July.

Firms must apply for authorisation online using Connect by the deadline. This landing slot is for:

- CMCs that do financial services and product claims work, and lead generation for non-financial services/products claims.
- CMCs that only do lead generation (regardless of sector).
- CMCs operating in all other sectors.

Please provide **all** the information we require to process your application.

Firms that miss the deadline have 30 days to wind down their regulated claims management activity. They must not start, or offer to start, new claims during this period.

Payment Service Providers

Non-bank payment service providers – requirements for safeguarding of customer funds

In July, we published details of our Safeguarding multi-firm review of non-bank payment service providers' safeguarding arrangements.

Safeguarding customer funds is a key consumer protection measure in the Electronic Money Regulations 2011 (EMRs) and Payment Services Regulations 2017 (PSRs). It is vital that all firms have appropriate and well-managed safeguarding arrangements to ensure that, if a firm becomes insolvent, it can return customers' funds in full. Details of our findings and a letter to firms setting out our expectations are on our **website.**

REP017 Payments Fraud Reporting

E-money firms should be aware the REP017 Fraud Rate report covering Jan to June 2019 (H1) is now available for download & submission by end August. For small E-money institutions, we will publish a new version to

collect H1 & H2 data in September. Firms must submit their data within two months of the end of the calendar year. For more information about this and how to submit a report see the **FCA website**.
Firms using Gabriel due to report from 1 January 2019 should submit their return using the form set out in **SUP 16 Annex 27ED**.

News & Publications

Highlights of Intergenerational Difference Conference
On 2 July our all-day conference gave space for the industry, think tanks, government, regulators and academia to discuss the emerging generational financial needs and issues outlined in our Intergenerational Differences Discussion Paper. We:

- outlined our understanding of the issues different generations face
- brought together stakeholders to pinpoint issues that need a response
- identified specific action we can take to help the market meet these changing consumer needs.

Key highlights from the conference included two workshops:

- delegates discussed market-led and regulatory solutions to meet the challenging needs of individuals based on real-life case-studies.
- a panel discussion on next steps for the FCA and the industry to address these emerging challenges.

Our event wrap-up video outlines why intergenerational differences are a growing issue and why it is important the FCA look at these to ensure financial markets work well for all consumers in the UK.
We welcome your feedback on our Discussion Paper before 1 August 2019. Check our website to find out more.

FCA publishes Annual Report and Accounts 2018/19
We published our Annual Report and Accounts on 9 July 2019. It looks back on the key pieces of work the FCA has undertaken throughout 2018/19.
Highlights from this year include:

- our ongoing work to improve protection for users of high-cost credit
- our work preparing for EU Withdrawal
- our campaign to help people take action on PPI, ahead of the 29 August 2019 deadline
- our work to stop people becoming scam victims
- promoting innovation across the world, with the launch of the Global Financial Innovation Network.

We also published our Annual Anti-Money Laundering Report, Annual Competition Report, Annual Enforcement Performance Account, and Annual Diversity Report.

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- an offer includes loaded premiums to cover the PEMC.

Send us your feedback on our proposals by **15 September 2019**.

Regulation of Cryptoasset activities

In the Government Economic Crime Plan, the Treasury announced that the FCA would become the supervisor for certain types of cryptoasset activities. The need to have an anti-money laundering regime for some types of cryptoasset activity is a requirement under the 5th Money Laundering Directive (5MLD).
These obligations will come into force on 10 January 2020. We are developing our approach and will publish details later this year. We will be engaging with representatives of the sector and other stakeholders as we finalise our plans for regulating the sector.

Naughty Advisers

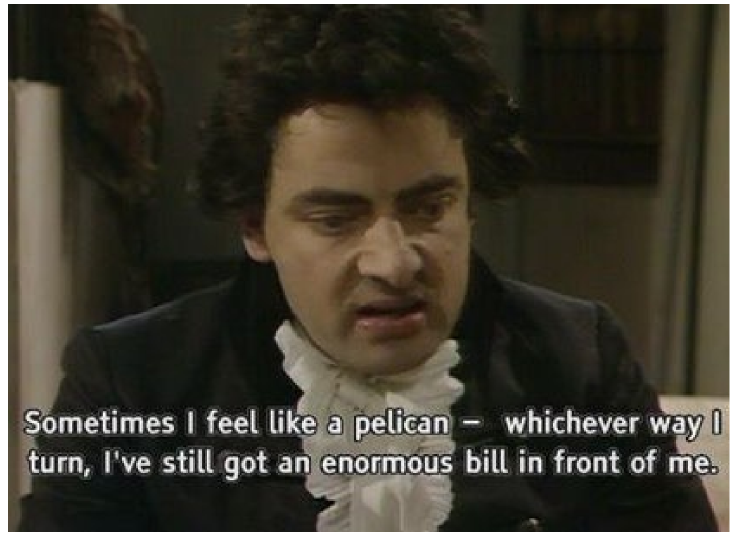
FSCS pays £4.4m to Active Wealth clients
Ucis directors ordered to hand £3.4m to investors
Mortgage compensation firm rapped over 'exaggerated' TV ad claims
Pension negligence lands boss with seven-year ban
An insurance company director has been banned from company directorships after failing to keep adequate records and provide scheme members with up-to-date information.
HSBC customers due compensation for unreasonable debt collection charges
Financial fraud bill reaches £130bn
FSCS pays £4.4m to Active Wealth clients
FSCS accepts claims against IFAs over £21m 'rogue' pension schemes
Advice firms bring in £3.5 billion in fees in 2018
Adviser told to pay out despite consulting regulator
Fraudster adviser declared in default
Adviser dumps lender over 'sexist' advert

Second 'win a house' scheme sanctioned by ASA after the operators changed the method of entry during the promotion. Raffle House Ltd had previously required participants to purchase a ticket and then answer a multiple-choice question, with only those who got the question right entered into a draw to win a house.
However, in November last year it messaged all of its customers to notify them that they could now pay for their ticket to be entered into the prize draw after they answered a multiple-choice question correctly. Complaints were raised over whether the competition was being administered fairly given the change. The ASA upheld the complaint, noting that the change in entry method was unfair to those who had entered the competition under the original terms, while offering free entry to existing participants was unfair to new participants who would have had to pay for each of their entries. A separate complaint relating to the lack of a prominent closing date for the competition was also upheld. As a result, Raffle House has been ordered not to make further changes to the entry method of its competitions and to ensure that ads for promotions include all significant terms and conditions, including a prominent closing date.

It's the second ruling in two weeks against a firm offering a competition where winners may get a property by the ASA. **Last week it upheld complaints against Win A Mega Home after it gave away a £100,000 cash prize instead of the promised £3m house** Win A Mega Home was the subject of a series of complaints over tweets and radio ads highlighting the competition in December 2018. The radio ads declared that the winner of the draw – for which tickets cost £25, with entrants also needing to answer a question – would win a £3m, six-bedroom riverfront home on the edge of the New Forest, while the runner up would get an Aston Martin. The contentious tweet stated: "You have until tomorrow to buy a ticket to win this house!"
Complaints were raised with the ASA by 18 different people, who were aware that the quoted prizes – or reasonable equivalents – had not been awarded, but were still being promoted the day before the closing date for the draw. Win A Mega Home admitted it had been disappointed by the "low ticket sales" for the draw, and had believed that a promotional push in the media in the final days of the competition would lead to an

"exponential growth" in sales. The firm said it needed to sell 170,000 tickets in order to sell the house, but only managed 14,000. As a result it gave the winner of the draw a prize of £110,070, while the runner up got nothing, the firm arguing that it had made clear that in order for the Aston Martin to be included as a prize more than 195,000 tickets would need to be sold. The ASA upheld the complaint, stating that the eventual prize "was clearly not a reasonable equivalent to a £3m house".

The Information Commissioner's Office Fines



Now British Airways are facing a record fine of £183 million Under the new GDPR, the maximum fine is either €20m or 4% of annual global turnover. The BA fine could have been a lot higher. This amounts to 1.5% of British Airways worldwide turnover in 2017 so, is actually less than the possible maximum. In June 2018 British Airways was the target of a cyber-attack. The personal details of some 500,000 customers were harvested by the attackers. British Airways parent, FTSE-100 constituent, International Consolidated Airlines Group or IAG, said it was 'surprised and disappointed' by the penalty.

Following this news, the Information Commissioner's Office (ICO) announced their intention to fine **Marriott International £99 million for a data breach that exposed 339 million guests.**

A Polish firm being fined £250K recently for not providing a privacy notice.
Google with a £50M fine pending.
Under the former Data Protection Act 1998 the biggest permissible fine was £500,000, and imposed on Facebook for its role in the Cambridge Analytica data scandal. The US Federal Trade Commission is rumoured to be hitting **Facebook with a record $5bn fine** to settle its own investigations into privacy violations **in the wake of the Cambridge Analytica scandal.** That's before the EU Regulators get their hands on them.

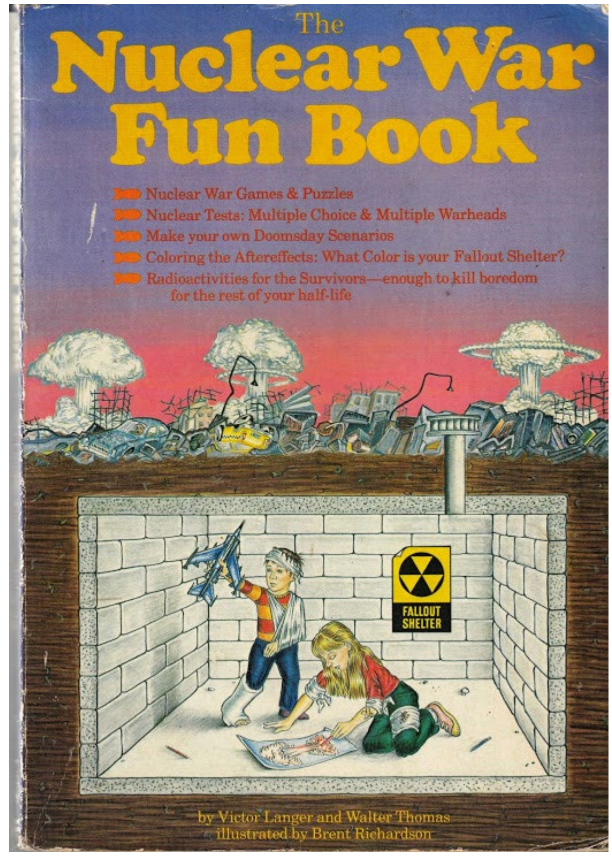
After 14 months, we are now starting to see European Supervisory Authorities including the ICO bear their teeth and this is just the start.

With the existing and incoming **SMCR requirements** coming in, the **FCA are putting more focus on accountability and this cannot exclude GDPR**. As a minimum, you and your clients are likely to have an online presence, tracking, cookies, transparency and consent issues to be dealing with. This coupled with the current European Court cases that could mean data transfers from the EU to the US are no longer lawful and the increase in global privacy laws growing off the back of GDPR the world of privacy is heating up. The starting point is knowing if you or your firms are anywhere close to being compliant.

We published an article last September highlighting the importance for companies holding sensitive customer data to consider Cyber & Data Insurance after hackers stole the financial details of 380,000 British Airways customers.

This is a wake-up call to anyone responsible for Cyber & Data security at any firm, large or small, that there could be serious consequences if you don't do enough to protect your customers' data with the utmost care and to

expect severe punishment when things go wrong. It is also another reminder for customers to always be wary of identity theft. For those of you who want to learn more about protecting yourself, then FCA ScamSmart on the FCA website is good place to start.
13 million Brits also want 'data-death' after they die



FOS Update

FOS to "significantly increase" income from levy
FSCS starts accepting claims against Sipp provider
Fos ends year on surplus
Fos takes year to resolve certain complaints
FSCS accepts claims against Greyfriars adviser

Woodford Nuclear Fallout Fun Times

Woodford caves to pressure over platform switch
Platform calls for action over Woodford lock-ins
Woodford vows to bounce back after extending fund suspension
Scottish Widows clients have £14m locked in Woodford fund
Woodford does not rule out cuts to investment staff
FCA questions buylist role in Woodford suspension

Latest News

It's not rocket science

The Government is falling short of its own R&D investment target. An additional £21bn of investment is needed if the UK is to achieve its vision of becoming **a science-led economy**. The UK's leading independent science advocacy, Campaign for Science and Engineering (CaSE), is calling for a material step-up in science funding for the UK remain at the **forefront of research and innovation**.

In 2017, Chancellor Philip Hammond announced a Government target to increase public and private research investment from 1.7% of gross domestic product (GDP) to 2.4% of GDP by 2027 along with the longer-term target of 3%. The Government has already pledged an additional £7bn to UK research and development (R&D) by 2022, but CaSE argues that this would need to be trebled over the following five years if the Government is to reach its stated goal.

Currently, the UK ranks 23rd in its R&D spending as a proportion of GDP and is below both the **EU and OECD** averages. The increased Government funding could lift the UK's ranking to 13th. The German government has already pledged an annual increase in science R&D spending of 3% up to 2027.

Politicians have been distracted by Brexit while the Conservative party is now involved in the party leadership contest. Whoever wins needs to be committed to the 2.4% R&D goal by 2027. **Stepping up Government investment in science looks a long-term winning strategy** to boost UK manufacturing and exports regardless of Brexit. In fact, it is so obvious, **it's not rocket science**!

Protection sector is failing on mental health
Making the world go round: why we invest in infrastructure
Investors are targeting technology assets
People look to financial advice for career change
Govt sets deadline for doctors pension tax solution
How to prepare for a bear market
Emerging advice gap needs to be inclusive not exclusive
Bringing in young blood to financial advice
'GAGP' special: what advisers are getting wrong about gender pay
Advisers raise concerns over govt's economic crime plan
Government confirms cross-sector fiscal crime crackdown plan
Millennials most likely to want income protection
Lenders 'strong enough' to keep lending through a no-deal Brexit – BoE
Self-employed to pay more tax from 2020
Industry accused of misjudging mental health risk
Couples to get financial perks from civil partnerships
Watch: The case for flat fees in two minutes
Labour's IHT reforms 'could close Bank of Mum and Dad'
Young savers could turn to Isas to avoid tax charge
How to prepare for a bear market