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NOTICE OF DECISION

To: **DEMAYAL UK LIMITED**

FRN: **737915**

Dated: **12 June 2023**

ACTION

1. For the reasons given below, the Authority has decided to cancel DUKL’s Part 4A permission. The cancellation takes effect on the date of this Notice of Decision.
2. The effect of the cancellation is that DUKL no longer has permission to conduct any regulated activities.

DEFINITIONS

3. The definitions below are used in this Notice of Decision (and in the Annex):
 - “the Act” means the Financial Services and Markets Act 2000;
 - “the Authority” means the Financial Conduct Authority;
 - “DUKL” means Demhayal UK Limited;
 - “DUKL’s Part 4A permission” means the Part 4A permission granted by the Authority to DUKL;
 - “EG” means the Enforcement Guide;
 - “FDA” means the Firm Details Attestation which Authority-authorized firms are required to submit to the Authority under SUP 16.10;

“FEES” means the Authority’s FEES Manual, part of the Handbook;

“FSCS” means the Financial Services Compensation Scheme;

“the Further Notice” means the further notice issued by the Authority to DUKL dated 12 May 2023;

“the general levy” means the levy a firm must pay to the Authority towards the costs of operating the compulsory jurisdiction of the Financial Ombudsman Service;

“the Handbook” means the Authority’s Handbook of rules and guidance;

“the IML levy” means the Illegal Money Lending levy;

“the Notice” means the notice issued by the Authority to DUKL dated 6 April 2023;

“Part 4A permission” means permission to conduct regulated activities, granted by the Authority under Part 4A of the Act;

“RAG” means regulated activity group as referred to in SUP;

“the Returns” means the CCR007 returns for the periods ended 30 November 2020, 30 November 2021 and 30 November 2022 which DUKL was due to submit to the Authority by 14 January 2021, 14 January 2022 and 16 January 2023 respectively;

“SFGB Levy” means the Single Financial Guidance Body Levy;

“SUP” means the Supervision Manual, part of the Handbook; and

“the Tribunal” means the Upper Tribunal (Tax and Chancery Chamber).

FACTS AND MATTERS:

4. DUKL was authorised by the Authority on 20 April 2016 and given a Part 4A permission to conduct the following regulated activities in relation to consumer credit:
 - (i) agreeing to carry on a regulated activity; and
 - (ii) credit broking.
5. DUKL failed to pay periodic fees and levies owed to the Authority as required under the Handbook under the rules set out in FEES 4.2.1R, 4.3.1R, 5.7.1R, 6.7.1R, 6.7.3R, 7A.3.1R and 13.2.1R. In particular, DUKL has failed to pay an invoice dated 25 September 2019 for periodic regulatory fees and levies of £316.48 which had been due for payment by 25 October 2019.
6. In addition, under SUP 16.3.13R, 16.12.3R, SUP 16.12.4R and SUP 16.12.29CR, DUKL is required to submit the Returns to the Authority by the relevant due date. However, DUKL has failed to submit the Returns to the Authority. Furthermore, under SUP 16.10.4R, 16.10.4AR and 16.10.14AAR, DUKL is required to submit the FDA to the Authority by the relevant due date. However, DUKL has failed to submit the FDA to the Authority.
7. The Authority therefore considers that DUKL has failed to provide information to the Authority as is required by the Handbook, namely the information it is required to

provide in the Returns and the FDA. There are no other matters that suggest DUKL is carrying on regulated activities.

8. On 6 April 2023, the Authority gave DUKL the Notice which stated that:
 - (a) it appears to the Authority that DUKL is carrying on no regulated activity to which its Part 4A permission relates; and
 - (b) the Authority may take action to cancel DUKL's Part 4A permission unless it responds to the Notice in the manner specified in the directions to the Notice.
9. DUKL failed to respond to the Notice.
10. As a result of the matters specified in paragraph 9 above, on 12 May 2023, the Authority gave DUKL the Further Notice which stated that:
 - a) the Authority considered that DUKL is carrying on no regulated activity to which its Part 4A permission relates; and
 - b) the Authority proposes to cancel DUKL's Part 4A permission on 12 June 2023 unless DUKL takes the steps specified in the directions to the Further Notice.
11. DUKL failed to take the steps specified in the Further Notice.

CANCELLATION OF PART 4A PERMISSION

12. From the facts and matters described above, and having regard to paragraph 1(3) of Schedule 6A to the Act, the Authority considers that DUKL is carrying on no regulated activity to which its Part 4A permission relates. The Authority has therefore decided to cancel DUKL's Part 4A permission. The cancellation of DUKL's Part 4A permission takes effect from the date of this Notice of Decision.
13. The statutory and regulatory provisions relevant to this Notice of Decision are set out in the Annexes.

PROCEDURAL MATTERS

14. This Notice of Decision is given to DUKL under paragraph 3 of Schedule 6A to the Act (variation or cancellation of Part 4A permission on initiative of FCA: additional power).

The following paragraphs are important.

Annulment of the Authority's decision

15. If DUKL is aggrieved by the decision to cancel its Part 4A permission as set out in this Notice of Decision, DUKL may make an application for an annulment of the Authority's decision under paragraph 4 of Schedule 6A to the Act.
16. DUKL must submit a completed application for an annulment of the Authority's decision to the Authority by 11 June 2024 and in the manner specified by the Authority.

The Tribunal

- 17. DUKL does not have a right to refer the decision to give this Notice of Decision to the Tribunal.

Publicity

- 18. The Authority intends to publish such information about the matter to which this Notice of Decision relates as the Authority considers appropriate. The information may be published in such manner as the Authority considers appropriate.

Authority Contact

- 19. For more information concerning this matter generally, DUKL should contact Candace Asoma (direct line: 020 7066 4414).