
FINAL NOTICE

To: Francis Buckman
FRN: FXB21371
Dated: 19 September 2024

ACTION

1. For the reasons set out in this Final Notice, the Authority hereby makes an order, pursuant to section 56 of the Act, prohibiting Mr Buckman from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm.
2. The Authority gave Mr Buckman the Decision Notice, which notified Mr Buckman of the Authority's decision to take the action specified above.
3. Mr Buckman has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was given to him.
4. Accordingly, the Authority hereby makes the prohibition order set out in paragraph 1 above against Mr Buckman. The prohibition order takes effect from the date of this Final Notice.

SUMMARY OF REASONS

5. Mr Buckman was involved in a criminal conspiracy to commit fraud by false representation which took place between 1 January 2017 and 30 October 2017.
6. Between 7 November 2019 and 8 December 2019, Mr Buckman held the CF8 Apportionment and Oversight function, and then, the SMF29 Senior Manager (limited scope) function between 9 December 2019 and 13 October 2021 at a firm authorised by the Authority. When applying for approval to perform the CF8 function in October 2019, Mr Buckman did not disclose to the Authority, in response to questions in the application form, that he was under criminal investigation for his part in this conspiracy.
7. On 5 November 2020, at Southwark Crown Court, Mr Buckman pleaded guilty to one count of conspiracy to commit fraud by false representation. The conspiracy

was found to have involved no fewer than 122 separate victims and resulted in a total loss of £1,202,161 to the bank where the victims were account holders.

8. On 17 May 2021, Mr Buckman was sentenced to a total term of 2 years imprisonment and ordered to forfeit phones connected with the conspiracy. At this time, Mr Buckman was approved to perform the SMF29 (limited scope) function at an authorised firm, yet he failed to disclose his conviction and sentence to the Authority.
9. On the basis of the facts and matters set out below, it appears to the Authority that Mr Buckman is not a fit and proper person to perform any functions in relation to any regulated activity carried on by any authorised person, exempt person, or exempt professional firm. His conviction demonstrates a clear and serious lack of honesty and integrity such that he is not fit and proper to perform regulated activities. In reaching this conclusion, the Authority has had regard to all relevant circumstances, including the relevance and materiality of the offences, Mr Buckman's failure to disclose that he was under criminal investigation when applying for CF8 approval, his subsequent failure to disclose his conviction and sentence, and the severity of the risk posed by Mr Buckman to consumers and to confidence in the UK financial system. The Authority considers that it is appropriate to impose the prohibition order described in paragraph 1 to advance its consumer protection integrity objectives (sections 1C and 1D of the Act, respectively).

DEFINITIONS

10. The definitions below are used in this Decision Notice (and in the Annex):

"the Act" means the Financial Services and Markets Act 2000;

"the Authority" means the Financial Conduct Authority;

"Mr Buckman" means Francis Buckman;

"the Decision Notice" means the notice of decision given to Mr Buckman dated 9 July 2024;

"EG" means the Enforcement Guide;

"FIT" means the Authority's 'Fit and Proper Test for Employees and Senior Personnel', part of the Handbook;

"the Handbook" means the Authority's Handbook of rules and guidance;

"the RDC" means the Regulatory Decisions Committee of the Authority (see further under Procedural Matters below); and

"the Tribunal" means the Upper Tribunal (Tax and Chancery Chamber); and

FACTS AND MATTERS

11. Mr Buckman was part of a criminal conspiracy to commit fraud by false representation which took place between 1 January 2017 and 30 October 2017.
12. The criminal conspiracy involved no fewer than 122 victims, who were customers of a bank.

13. The potential value of losses from the offending totalled £2,352,666. However, as not all attempts to defraud customer accounts were successful, the actual loss was £1,509,936. As the bank was then able to recover £307,774 before the monies were dissipated, the total final loss resulting from the offending was £1,202,161.
14. On 19 October 2017, Mr Buckman was arrested at his home and a phone belonging to him which was connected with the conspiracy was seized.
15. On 3 October 2019, Mr Buckman made an application for approval to perform the CF8 function at an authorised firm. In the application form, Mr Buckman was asked if he was the subject of any ongoing criminal investigation. Mr Buckman answered 'No'. He was also asked if he had been ordered to produce documents pursuant to any ongoing criminal investigation or been the subject of a search pursuant to any ongoing criminal investigation. He answered 'No' to this question.
16. Mr Buckman was subsequently approved by the Authority to perform the CF8, and then the SMF29 (limited scope) function, at the authorised firm from 7 November 2019 to 8 December 2019 and from 9 December 2019 to 13 October 2021 respectively.
17. On 5 November 2020, Mr Buckman changed his plea to guilty on the basis that he caused an actual loss of £43,069 and was, consequently, convicted of one count of conspiracy to commit fraud by false representation.
18. On 17 May 2021, Mr Buckman was sentenced to two years imprisonment. In addition, he was ordered to forfeit phones connected with the conspiracy.
19. Upon sentencing the Judge made the following observations:
 - i. Between 1 January 2017 and 12 October 2017, as part of the conspiracy, money was stolen from no fewer than 122 accounts of the bank's customers, each of whom had telephoned a 24-hour online banking service. Each call was answered by a co-conspirator of Mr Buckman's, who was an employee of the bank. This allowed the co-conspirator to identify the relevant security information which they then provided to the other co-conspirators which included Mr Buckman. This enabled Mr Buckman to telephone the bank, impersonate those customers and arrange unauthorised payments from those accounts to numerous third-party bank accounts.
 - ii. That on his arrest on 19 October 2017, the police recovered a small black Nokia telephone from Mr Buckman's address, which was linked to the offending, and which he accepted using between 21 July 2017 and 30 September 2017.
 - iii. In relation to the offence the Judge stated, "*It is plain Mr Buckman, and (co-conspirators) that you were known to each other and aware each was exploiting this lapse in security at the bank. ...There was no one above either of you to whom you were answerable, and your awareness of the scale of the operation means that your culpability must be assessed at the highest level.*"

20. The conviction and sentencing occurred whilst Mr Buckman was an approved person. He also failed to disclose either his conviction or sentence to the Authority as he was required to do as an approved person.

LACK OF FITNESS AND PROPRIETY

21. The statutory and regulatory provisions relevant to this Final Notice are set out in the Annex.
22. FIT 1.3.1G states that the Authority will have regard to a number of factors when assessing an individual's fitness and propriety.
23. FIT 1.3.1BG(1) states that among the most important considerations when assessing the fitness and propriety of a person is that person's honesty, integrity and reputation.
24. The above facts and matters demonstrate that Mr Buckman has been convicted of one count of conspiracy to commit fraud, an offence of dishonesty for which a two-year term of imprisonment was deemed the appropriate sentence. These facts demonstrate that Mr Buckman lacks honesty and integrity.

Prohibition

21. EG 9.1.1 provides that the power to prohibit an individual will be exercised by the Authority to achieve its statutory objectives, which include both securing an appropriate degree of protection for consumers and protecting and enhancing the integrity of the UK financial system.
22. The facts and matters above demonstrate that Mr Buckman is not fit and proper to perform functions in relation to regulated activity. Mr Buckman was involved in a conspiracy to defraud consumers, at a bank, and would therefore present a material risk to consumers if employed in a regulated function within financial services. In addition, Mr Buckman failed to disclose to the Authority in his application for approval that he was the subject of an ongoing criminal investigation or that a phone had been seized from his address during that criminal investigation. He also failed to disclose his conviction and sentence to the Authority as he was required to do as an approved person.
23. The Authority therefore considers it appropriate to prohibit Mr Buckman performing any function in relation to any regulated activity carried on by an authorised person, exempt person or exempt professional firm.

PROCEDURAL MATTERS

23. This Final Notice is given to Mr Buckman in accordance with section 390(1) of the Act.

Decision Maker

24. The decision which gave rise to the obligation to give this Final Notice was made by the RDC. The RDC is a committee of the Authority which takes certain decisions on behalf of the Authority. The members of the RDC are separate to the Authority staff involved in conducting investigations and recommending action against firms and individuals. Further information about the RDC can be found on the Authority's website:

<https://www.fca.org.uk/about/committees/regulatory-decisions-committee-rdc>

Publicity

25. Section 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this Final Notice relates. Under those provisions, the Authority must publish such information about which this Final Notice relates as the Authority considers appropriate.
26. The information may be published in such manner as the Authority considers appropriate. However, the Authority may not publish information if such publication would, in the opinion of the Authority, be unfair to Mr Buckman or prejudicial to the interest of consumers or detrimental to the stability of the UK financial system.
27. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contact

28. For more information concerning this matter generally, Mr Buckman should contact Stuart Doyle at the Authority (direct line: 020 7066 0245).

Jeremy Parkinson
Enforcement and Market Oversight Division

ANNEX

RELEVANT STATUTORY PROVISIONS

1. The Authority's operational objectives include securing an appropriate degree of protection for consumers (section 1C of the Act) and protecting and enhancing the integrity of the UK financial system (section 1D of the Act).
2. Section 56(1) of the Act provides:

"The [Authority] may make a prohibition order if it appears to it that an individual is not a fit and proper person to perform functions in relation to a regulated activity carried on by:

 - (a) an authorised person,
 - (b) a person who is an exempt person in relation to that activity, or
 - (c) a person to whom, as a result of Part 20, the general prohibition does not apply in relation to that activity."

RELEVANT REGULATORY PROVISIONS

Prohibiting an individual who is not fit and proper

3. The Authority's policy in relation to exercising its power to issue a prohibition order is set out in EG.
4. EG 9.1 explains the purpose of prohibition orders in relation to the Authority's regulatory objectives.
5. EG 9.2 sets out the Authority's general policy on making prohibition orders. In particular—
 - (a) EG 9.2.1 states that the Authority will consider all relevant circumstances, including whether enforcement action has been taken against the individual by other enforcement agencies, in deciding whether to make a prohibition order;
 - (b) EG 9.2.2 states that the Authority has the power to make a range of prohibition orders depending on the circumstances of each case; and
 - (c) EG 9.2.3 states that the scope of a prohibition order will depend on, among other things, the reasons why the individual is not fit and proper and the severity of risk he poses to consumers or the market generally.
6. EG 9.5.1 states that where the Authority is considering whether to make a prohibition order against someone who is not an approved person, the Authority will consider the severity of the risk posed by the individual and may prohibit him where it considers that it is appropriate to achieve one or more of the Authority's statutory objectives.
7. EG 9.5.2 provides that, when considering whether to exercise its power to make a prohibition order against someone who is not an approved person, the Authority will consider all the relevant circumstances of the case. These may include, but are not limited to, the factors set out in EG 9.3.2. Those factors include: whether the individual is fit and proper to perform functions in relation to regulated activities (noting the criteria set out in FIT 2.1, 2.2, and 2.3); the relevance and materiality

of any matters indicating unfitness; the length of time since the occurrence of any matters indicating unfitness; and the severity of the risk which the individual poses to consumers and to confidence in the financial system.

Fit and Proper test for Employees and Senior Personnel

8. The Authority has issued guidance on the fitness and propriety of individuals in FIT.
9. FIT 1.3.1BG(1) states that the most important considerations when assessing the fitness and propriety of a person to perform a controlled function include that person's honesty, integrity and reputation.
10. FIT 2.1.1G states that in determining a person's honesty, integrity and reputation, the Authority will have regard to all relevant matters including, but not limited to, those set out in FIT 2.1.3G. It notes, amongst other things and by way of example, that:

"... conviction for a criminal offence will not automatically mean an application will be rejected. The [Authority] treats each candidate's application on a case-by-case basis, taking into account the seriousness of, and circumstances surrounding, the offence, the explanation offered by the convicted person, the relevance of the offence to the proposed role, the passage of time since the offence was committed and evidence of the individual's rehabilitation."
11. FIT 2.1.3G(1) states that the matters referred to in FIT 2.1.1G include, but are not limited to, whether a person has been convicted of any criminal offence, noting that particular consideration will be given to offences including dishonesty, fraud and financial crime (amongst other things).