

FCA v Avacade: SIPP Transfers Under the Spotlight

[Nick Vineall QC](#) successfully represented the Financial Conduct Authority in its claim against two companies and three individuals involved in the promotion of pension transfers into self-invested personal pensions. Nearly two thousand UK consumers transferred pensions worth over £86 million, a large percentage of which was used to invest into non-mainstream investments.

Following a trial in January and February of this year, Adam Johnson QC (sitting at a Deputy High Court Judge) has handed down judgment. The Court agreed with the FCA's case that the defendants were carrying on the regulated activities of arranging and advising on investments, and that they had breached the regulatory perimeter. He also found that the promotion of the pension transfers and the investments had involved false and misleading statements, and that the individual defendants had been knowingly involved in the contraventions.

The judgement explores a number of provisions in UK financial services law which have received relatively little judicial consideration to date, and will be of considerable interest to financial services practitioners.

This was the first trial in the proceedings and the court has yet to determine whether the defendants will be ordered to pay money to the FCA. Any money paid to the FCA will be used to compensate investors.

The FCA's press release is [here](#) and the judgment is available [here](#).