

Corporate & Financial Weekly Digest

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FSA Cracks Down on Cash Equities Broker for Paying Kickbacks

On September 27, the UK Financial Services Authority (FSA) published its final notice previously issued to Fabio Massimo De Biase fining him a total of £252,239 (approximately \$398,800).

Mr. De Biase's former employers TFS Derivatives Ltd carried out cash equities trades on an execution-only basis for AKO Capital LLP. Mr. De Biase agreed with hedge fund trader Anjam Ahmad to increase the commission rate and split the income received.

As a result, AKO was overcharged by \$739,000. The FSA found Mr. De Biase in breach of Principle 1 of the FSA's Statements of Principles and Code of Practice for Approved Persons.

The fine consists of the £198,000 (approximately \$313,260) increased income earned by Mr. De Biase and a penalty of £54,239 (approximately \$85,800). The initial fine was reduced by 30% to reflect the early settlement.

The final notice issued to Mr. De Biase can be found [here](#).

The final notice issued to Mr. Ahmad can be found [here](#).

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