

Enforcement Guide

Chapter 5

Settlement

5.2 When settlement decisions may take place

- 5.2.1** Settlement discussions between *FCA* staff and the *person* concerned are possible at any stage of the enforcement process if both parties agree.
- 5.2.2** The *FCA* considers that in general, the earlier settlement discussions can take place the better this is likely to be from a public interest perspective. However, the *FCA* will only engage in such discussions once it has a sufficient understanding of the nature and gravity of the suspected misconduct or issue to make a reasonable assessment of the appropriate outcome. At the other end of the spectrum, the *FCA* expects that settlement discussions following a *decision notice* or *second supervisory notice* will be rare.
- 5.2.3** In the interests of efficiency and effectiveness, the *FCA* will set clear and challenging timetables for settlement discussions to ensure that they result in a prompt outcome and do not divert resources unnecessarily from progressing a case through the formal process. To this end, the *FCA* will aim to organise its resources so that the preparation for the formal process continues in parallel with any settlement discussions. The *FCA* will expect *firms* and others to give it all reasonable assistance in this regard.
- 5.2.4** The *FCA* will engage senior management in discussions (either heads of department or directors), liaising where appropriate with the *settlement decision makers*, attending a without prejudice meeting during discussions or arranging for the attendance of an appropriately senior *FCA* representative.