

Support in acquiring FCA regulated firms

IQ-EQ is able to support prospective buyers through the process of acquiring an FCA regulated firm. This support can come in three forms:

- Analysis of what regulatory permissions are necessary to carry out the proposed business model
- Regulatory due diligence on the target firm
- Support in applying for regulatory approval to purchase the target firm including analysis of the regulatory implications of the proposed structure

We're able to conduct in-depth regulatory due diligence on FCA regulated firms. Our team of regulatory experts are able to identify areas of regulatory risk that a prospective buyer would want to have sight of before committing to a purchase.

This review compares the target firm against the FCA's minimum regulatory obligations, practical expectations, as well as common practice amongst peer firms.

Why conducting regulatory due diligence is important?

Once a prospective buyer is approved by the FCA to become an owner of an FCA regulated firm, they become responsible for any regulatory issues that later come to light.

Remediating such issues can be expensive, and with the FCA increasingly using their more onerous powers which can include preventing firms from taking on new clients, it is all the more important to ensure that issues are identified at the start and remediated early.

Why IQ-EQ?

Our team has deep expertise across many types of FCA regulated firms. This includes but is not limited to asset management across liquid and illiquid markets, wealth management, corporate finance, investment banking, brokerage, fintech firms, and market structures.

Our team is frequently conducting reviews on our clients as part of ongoing support; we know where issues are most commonly found and how peer firms are meeting their obligations.

Our team frequently supports firms through the change in control process to achieve approval for ownership changes. We know what is likely to

delay that process and what creates a risk that approval will not be given.

We understand that each business is unique, and we will ensure the scope of the regulatory due diligence is tailored to the circumstances of the target firm.

What areas we cover

Governance – including the board and committee structure, responsibilities mapping, conduct rules embedding.

Compliance framework – including policy & procedure framework, internal monitoring and controls, marketing, financial crime framework, market abuse controls.

Risk management – including the risk framework across operational risk as well as areas such as AML/ABC/MAR, operational resilience, vendor management, liquidity and capital management as well as stress testing.

Operational controls – including complaints handling, record keeping, CASS and business continuity.

Reporting – financial and non-financial reporting to the FCA, internal compliance and MLRO reporting, MI provided to the governing body.

Key output of the review

- Final report covering
 - Red and amber flags identified
 - Regulatory risk heatmap
 - Change in control readiness assessment
- Summary of expected areas of regulatory focus from the FCA for the sector the target is in
- Executive presentation to the client
- Remediation roadmap

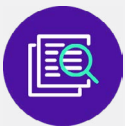
The FCA Change in Control approval process

When applying for FCA approval to acquire control of a regulated firm, prospective buyers will need to provide the following:

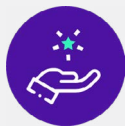
- Application forms for all prospective owners with over 10% voting or economic rights including criminal record checks
- A business plan detailing any the plans the buyer has for the target firm, alongside a financial forecast
- Evidence of the necessary funding

Our team can assist in identifying which entities and individuals need to submit forms, preparation of the application pack, and liaising with the regulator through the application process.

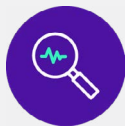
How can we support post-acquisition?



Remediation of any issues found during the due diligence process



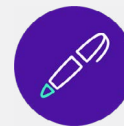
Ongoing advisory support



Compliance monitoring & internal audit



Support with regulatory change



KYC support for clients and assets



Regulatory reporting



Fund marketing support including NPPR & OFR approvals as well as Annex IV reporting



Secondments



Training – in person and online modules



ESG support

Key contacts



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Key facts and figures*

People	Jurisdictions	Assets under administration	Minimum senior team experience	Funds under administration
6500⁺	24	\$857^{bn}	20^{yrs}	800⁺

Our locations worldwide

APAC

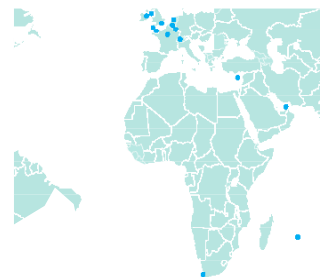
Australia
Hong Kong
India
Japan
Mainland China
New Zealand
The Philippines
Singapore

AMERICAS

Cayman Islands
Curaçao
United States

EMEA

Belgium
Cyprus
France
Guernsey
Ireland
Isle of Man
Jersey
Luxembourg
Mauritius
The Netherlands
South Africa
Switzerland
United Arab Emirates
United Kingdom



*Information correct as of 13 April 2026

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