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Ms Amanda Bewley
HM Assistant Coroner
Nottingham and
Nottinghamshire Coroners Service

14 March 2025

Dear Ms Bewley,

Re: Prevention of Future Deaths report

The Financial Conduct Authority (FCA) response in relation to Susan Karakoc: Prevention of future deaths report, published on 27 December 2024:

<https://www.judiciary.uk/prevention-of-future-death-reports/susan-karakoc-prevention-of-future-deaths-report/>

Under section 5 of the online report, the following concern was raised:

“There is evidence that banks form a legitimate part of the supply chain, and that this is crucial to the functioning of these criminal enterprises. I am concerned that the current system for detecting such criminal enterprises and alerting the relevant authorities is not effective”.

We received a copy of the report on 26 February 2025, where you requested that the FCA respond to the points raised in the report.

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 require firms to complete checks as part of the supply chain. This includes where they hold evidence of suspicious activity. In

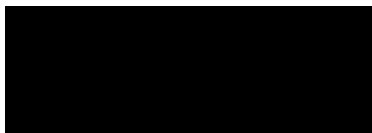
support of this legislation, where FCA regulated firms do identify suspicious activity, our expectations are for those firms to take action. This may include blocking particular transactions.

Firms use merchant details to understand where customer payments are being made to, and firms use these to prevent transactions where they identify suspicious activity or fraud. Suspicious activity can be identified by firms through receipt of intelligence, including from law enforcement, through receipt of serious complaints, unusual frequency and values of payments, and other similar sources. Absent of such intelligence, it would be practically difficult for a firm to identify and prevent payments to a particular merchant.

We sympathise with the death of Ms Karakoc. We have considered this matter, and based on the published report we do not consider the circumstances of Ms Karakoc's passing require additional actions for the FCA.

We will share this response with HMT, who lead policy in regards to the AML regulations. We constantly keep our rules and guidance under review. I hope this response is helpful in clarifying our approach.

Yours sincerely,



**Director, Retail Banking
Supervision, Policy & Competition**