



FCA fines and bans former RBS trader, Neil Danziger

Press Releases | Published: 08/01/2018 | Last updated: 08/01/2018

The Financial Conduct Authority (FCA) has imposed a financial penalty of £250,000 on former Royal Bank of Scotland (RBS) interest rate derivatives trader, Neil Danziger, and prohibited him from performing any function in relation to any regulated financial activity.

Mr Danziger formerly worked at RBS trading products referenced to Japanese Yen (JPY) LIBOR. In addition, on occasion, he made RBS's JPY LIBOR submissions to the British Bankers Association (BBA) when RBS's primary submitters were not available.

The FCA has found that Mr Danziger was knowingly concerned in RBS's failure to observe proper standards of market conduct and has determined that he is not a fit and proper person because he acted recklessly and lacks integrity.

Mark Steward, Executive Director of Enforcement and Market Oversight at the FCA said:

"Proper standards of market conduct reflect the interests of the whole community in the well-being of our financial markets. Mr Danziger's reckless disregard of these standards has no place in the financial services industry. Market participants cannot turn a blind eye to what the community, through its laws and regulations, expects nor apply their own, lower standards. This substantial fine and ban should reinforce that message."

The FCA found that between 14 February 2007 and 22 November 2010, Mr Danziger:

- routinely made requests to RBS's primary submitters, intending to benefit the trading positions for which he and other derivatives traders were responsible;

- took those trading positions into account when acting as a substitute submitter;
- on two occasions, obtained a broker's assistance to attempt to manipulate the JPY LIBOR submissions of other banks.

In addition, between 19 September 2008 and 25 August 2009, Mr Danziger entered into 28 wash trades – risk free trades, with the same party, in pairs that cancelled each other out and for which there was no legitimate commercial rationale. The purpose of these wash trades was to make or facilitate brokerage payments to two firms of brokers in recognition of his receipt of personal hospitality.

The FCA found he acted recklessly, and therefore with a lack of integrity, in deliberately closing his mind to the risk that his actions were improper.

On 18 June 2014, the FCA issued Mr Danziger with a Warning Notice, but proceedings were stayed due to the ongoing criminal investigation by the Serious Fraud Office into certain individuals who formerly worked at RBS. Today's fine and ban reflect the FCA's commitment to protect the integrity of the UK financial system.

Notes to editors:

1. The Final Notice for [Neil Danziger](#).
2. The Final Notice for [RBS](#).
3. The FCA has imposed seven financial penalties, totalling £426 million, on firms for misconduct relating to LIBOR.
4. On 1 April 2013 the Financial Conduct Authority (FCA) became responsible for the conduct supervision of all regulated financial firms and the prudential supervision of those not supervised by the Prudential Regulation Authority (PRA).
5. The FCA has an overarching strategic objective of ensuring the relevant markets function well. To support this it has three operational objectives: to secure an appropriate degree of protection for consumers; to protect and enhance the integrity of the UK financial system; and to promote effective competition in the interests of consumers.
6. Find out more information [about the FCA](#).

FCA fines and bans former RBS trader, Neil Danziger

Media Centre