

FSA NOTICES (AND STATEMENTS RE FIRMS, INDIVIDUALS) – 2009

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[Major compliance issues/TCF - insurance firms](#)

[Major compliance issues/TCF- banks/building societies/investment firms \(inc IFAs\)](#)

[Major compliance issues/TCF - mortgage firms](#)

[Individuals - fitness and properness issues - bans/censures/refusals](#)

[Market abuse/market conduct](#)

[General threshold conditions \(eg failure to return RMARs/lack of PII etc\)](#)

[General statements on firms and individuals](#)

[Non-disciplinary Final Notices](#)

Major compliance issues/TCF – insurance firms (inc refusals)

Firm/Individual	Short Summary	Fine	Links
<p>Aspray Limited (18 March 2009, publicised 19 March 2009)</p>	<p>FSA has fined Blackburn insurance broker Aspray Limited for failings in control of its ARs and for misleading its clients and FSA. The firm did not maintain appropriate systems and controls for the recruitment, training and monitoring of its ARs and misled clients by telling them: that its services were free of charge when in fact cancellation charges could be incurred and ARs had discretion to charge an insurance excess; and that all its contractors were screened and only quality local tradesman were used, when in fact most contractors were found using sources such as Yell.com and were not properly vetted. The firm also failed to inform customers about FOS and their right to refer complaints to it and misled FSA by claiming that it had made compliance visits to all its ARs, had made financial checks on them and reviewed their files when it had in fact performed none of these procedures. FSA notes that the firm was open and cooperative with its investigation, has accepted there had been management and control failures and has appointed external compliance consultants. It has implemented a series of remedial changes to its practices and procedures. FSA also notes there is no evidence that the firm sought to profit or avoid loss as a result of the identified failings. The firm agreed to settle at an early stage of the investigation and thus qualified for the 30% discount under FSA's procedures.</p>	<p>£21,000</p>	<p>http://www.fsa.gov.uk/pubs/financial/aspray.pdf</p>
<p>Aston Sterling Insurance Services Limited (16 October 2009, publicised 2 December 2009)</p>	<p><i>See under Siddique, Waqas Ahmed/Siddique, Faraz Ahmed in the individuals section below</i></p>		

Major compliance issues/TCF – insurance firms (inc refusals)

Firm/Individual	Short Summary	Fine	Links
Fidelity Corporate Services (Michael Robert Cameron) (20 August 2009)	By this Supervisory Notice, FSA has varied the firm's Part IV permission by removing its regulated activities with immediate effect. FSA notes that an individual who has had dealings with the firm had approached FSA regarding its dealings in insurance mediation business. That individual alleges that he arranged for £175,000 to be passed to the firm's control in June 2007 for the purpose of investment into what had been described by the firm as a "High Yield Bond". Initially, interest was paid to the individual, but he received no documentation in relation to his investment. In July 2008, the individual requested that his principal investment be returned, but this has not been repaid, nor has the individual received an adequate explanation as to how the money was handled or when he will receive repayment of his investment. FSA has attempted to arrange to meet the firm to discuss the circumstances of the above transaction, but can now "see no reasonable prospect" that such a meeting will take place.		http://www.fsa.gov.uk/pubs/financial/fidelity.pdf
HSBC – see Banks below			
Swinton Group Limited (28 October 2009)	FSA has fined the firm for serious failings in its advised sales of single premium PPI. Following discussions with FSA, the firm has also agreed to contact over 350,000 customers who paid for the PPI and offer a full refund. FSA found that, between December 2006 and March 2008 (when the firm exited the PPI market at FSA's request) the firm's PPI sales process was flawed. The problems arose as a result of an "assumptive" selling technique in which PPI was automatically included in insurance quotes without first establishing that the customer had any real demand or need for the PPI cover. The firm also did not make it sufficiently clear that PPI was optional and did not properly disclose the cost of PPI at the point of sale - the cost was bundled within the initial insurance quote and secondly, the firm failed to disclose before the sale completed that the policy only cost £1.21 with the remainder of the £15/£20 charged being a fee taken by Swinton. The firm will also pro-actively review previously rejected claims and pay compensation where appropriate. FSA notes that it accrued approximately £7.8 million from its PPI sales.	£770,000	http://www.fsa.gov.uk/pubs/financial/swinton.pdf

Major compliance issues/TCF – banks/building societies/investment firms (inc IFAs) (inc refusals)

Firm/Individual	Short Summary	Fine	Links
<p>Barclays Capital Securities Ltd/Barclays Bank PLC (19 August 2009, publicised 8 September 2009)</p>	<p>Barclays has been fined for failing to provide accurate transaction reports to it and for serious weaknesses in systems and controls in relation to transaction reporting. FSA discovered discrepancies in Barclays' data while reviewing a suspected incident of market abuse by a third party. A subsequent review of transaction reporting arrangements revealed that it did not have adequate systems and controls in place to meet the transaction reporting requirements as well as a substantial number of errors in the data submitted to FSA. FSA notes that Barclays' breaches occurred despite repeated reminders to firms of their obligations to provide accurate data and the importance of compliance with FSA rules on transaction reporting during the course of 2007 and 2008. Barclays has taken steps to address the concerns raised, including commissioning a review of its transaction reporting process and committing extensive resources to improve its processes and resolve the errors. It co-operated fully with FSA in the course of its investigation and qualified for the 30% discount under enforcement procedures.</p>	<p>£2.45m</p>	<p>http://www.fsa.gov.uk/pubs/financial/barclays.pdf</p>
<p>Cheshire Life & Pensions Consultants (30 July 2009)</p>	<p>FSA has issued a public censure against the firm for failing to ensure its advice on pension income drawdown products was suitable. FSA found that the firm had failed to: gather or record adequate information about customers' personal and financial circumstances to support its assessment of suitability; adequately explain the reasons for the recommendation made in the suitability reports; include adequate risk warnings in suitability reports about the recommended product; undertake sufficient research to ensure the suitability of recommendations and undertake adequate monitoring to ensure suitability of advice and compliance with regulatory requirements. Remedial action was agreed and the firm is to write to all its income drawdown customers, undertake a past business review and use an external compliance specialist to provide ongoing advice and oversight. It is noted that this is the first enforcement case arising from FSA's enhanced supervisory strategy for small firms.</p>		<p>http://www.fsa.gov.uk/pubs/financial/cheshire_0729.pdf</p>

Major compliance issues/TCF – banks/building societies/investment firms (inc IFAs) (inc refusals)

Firm/Individual	Short Summary	Fine	Links
City Gate Money Managers Ltd - see also Neil and Timothy Marlow in individuals below (20 July 2009)	FSA has fined City Gate Money Managers Ltd of Glasgow £42,000 for approving financial promotions issued by the AR run by Neil and Timothy Marlow, designed to encourage investment in the scheme. It found that the firm failed to have adequate systems and controls in place to ensure that financial promotions issued by its ARs were clear, fair and not misleading. The firm also settled at an early stage in the proceedings. It has also agreed to a voluntary variation of permission to stop taking on any new ARs and stop conducting pension transfer business, an area over which FSA also has concerns. It will also carry out a past business review which will look at products sold to customers other than those who invested in the scheme.	£42,000	http://www.fsa.gov.uk/pubs/financial/city_gate_jul09.pdf
Evergreen Estates (UK) Limited (21 August 2009)	FSA has refused the firm's application to carry on the regulated activities of advising on investments (except pension transfers and opt outs); arranging (bringing about) deals in investments; making arrangements with a view to transactions in investments; dealing in investments as agent and assisting in the administration of insurance. FSA notes that the firm failed to co-operate in responding to requests for information related to the application; and failed to demonstrate that it had adequate resources and a competent and prudent management in respect of the regulated activities for which it applied for permission, because it failed to demonstrate that the sole approved person was competent to perform the relevant controlled functions. The firm has not referred the matter to FSMT.		http://www.fsa.gov.uk/pubs/financial/evergreen_states_summary.pdf
GMAC-RFC Limited (28 October 2009)	FSA has fined the firm for failing to treat customers fairly and secured redress of up to £7.7m (plus interest) for over 46,000 mortgage customers. Between 31 October 2004 and 30 November 2008, a number of serious failings by GMAC-RFC were identified in relation to its dealings with customers experiencing arrears and repossessions. These include: excessive and unfair charges for customers that did not reflect administration costs; proposing repayment plans that did not always consider a customer's individual circumstances; inadequate training of mortgage servicing staff in handling of arrears and repossessions; and issuing repossession proceedings before fully considering all the alternatives. FSA notes that the case sets a precedent, with it concluding this investigation in a matter of weeks, and the firm working with FSA to agree a process to enable customers to receive redress as quickly as possible.	£2.8m	http://www.fsa.gov.uk/pubs/financial/gmac_rfc.pdf

Major compliance issues/TCF – banks/building societies/investment firms (inc IFAs) (inc refusals)

Firm/Individual	Short Summary	Fine	Links
<p>HSBC Life UK Limited/HSBC Actuaries and Consultants Limited/HSBC Insurance Brokers Limited (22 July 2009)</p>	<p>FSA has fined three HSBC firms over £3 million for not having adequate systems and controls in place to protect their customers' confidential details from being lost or stolen. These failings contributed to customer data being lost in the post on two occasions. During its investigation into the firms' data security systems and controls, FSA found that large amounts of unencrypted customer details had been sent via post or courier to third parties. Confidential information about customers was also left on open shelves or in unlocked cabinets and could have been lost or stolen. In addition, staff were not given sufficient training on how to identify and manage risks like identity theft. Despite increasing awareness of the need to protect people's confidential details, all three firms failed to put in place adequate procedures to manage their financial crime risks. In April 2007, HSBC Actuaries lost an unencrypted floppy disk in the post, containing the personal information of 1,917 pension scheme members, including addresses, dates of birth and national insurance numbers. In July 2007, all three firms were warned by HSBC Group Insurance's compliance team about the need for robust data security controls. However, in February 2008 HSBC Life lost an unencrypted CD containing the details of 180,000 policy holders in the post. FSA notes that the firms have taken a number of remedial actions to address the concerns raised, including contacting the customers concerned, improving their staff training and requiring that all electronic data in transit is encrypted.</p>	<p>Life - £1,610,000 Actuaries - £875,000 Insurance Brokers - £700,000</p>	<p>http://www.fsa.gov.uk/pubs/final/hsbc_actuaris0709.pdf http://www.fsa.gov.uk/pubs/final/hsbc_inuk0907.pdf http://www.fsa.gov.uk/pubs/final/hsbc_ins0709.pdf</p>
<p>Legacy Financial Planning Limited (16 January 2009 – publicised 26 January 2009)</p>	<p>FSA has fined the firm for failing to adequately advise investors about the risks associated with certain transactions. The firm also failed to make and retain records that demonstrate the suitability of its advice and ensure that its business is conducted in accordance with FSA requirements. Between September 2006 and September 2007, the firm issued suitability letters to customers that did not explain why the recommended transaction was suitable and failed to adequately disclose the risks and any disadvantages of recommended transactions. It also failed to make or retain records to demonstrate the suitability of its advice. The firm has appointed an external compliance consultant to undertake a past business review of a percentage of sales of certain products selected on risk-based criteria, which will identify any unsuitable recommendations, assess any loss to customers, and pay appropriate redress where unsuitable advice has led to loss.</p>	<p>£28,000</p>	<p>http://www.fsa.gov.uk/pubs/final/legacy.pdf</p>

Major compliance issues/TCF – banks/building societies/investment firms (inc IFAs) (inc refusals)

Firm/Individual	Short Summary	Fine	Links
<p>Morgan Stanley & Co International Plc (13 May 2009)</p>	<p>FSA has fined the firm £1.4 million for systems and controls failings in relation to trader mis-marking which led it to make a \$120 million negative adjustment in June 2008. FSA has also issued a prohibition order against Matthew Sebastian Piper, a former proprietary trader at the firm, from performing any function in relation to any regulated activity on the grounds that he is not a fit and proper person. He was also fined £105,000. In breach of FSA Principles, the firm failed to effectively use the controls it had in place for dealing in illiquid financial products. It failed to ensure adequate supervision of Matthew Piper's books and as a result, did not price certain positions accurately. Further, the firm failed to prevent or detect the mis-marking in a timely manner. The firm further failed to respond quickly enough to changing conditions in the credit markets (namely an increase in volatility and a decrease in liquidity) by making adjustments to its existing systems and controls which would have enabled it to detect the mis-marking of the illiquid products in a timely manner. Matthew Piper was found to have deliberately mis-marked the positions he traded on behalf of Morgan Stanley and sought to hide losses by manipulating the processes the firm had in place to monitor trading activity. On discovery of the mis-marking, the firm suspended Matthew Piper and senior management commissioned a review into the marking of his positions. The review identified serious weaknesses in the implementation, operation and management of Morgan Stanley's systems and controls. FSA took into consideration the full cooperation of both parties, who thus qualified for a reduction in fine under the settlement discount scheme.</p>	<p>£1.4m</p>	<p>http://www.fsa.gov.uk/pubs/final/morgan_stanley.pdf</p>
<p>Nickols, Aaron t/a Warwick Finance (4 February 2009)</p>	<p>By this First Supervisory Notice, FSA has varied the firm's Part IV permission by removing all regulated activities with immediate effect. FSA says that it has "serious concerns" about the firm, alleging that it has been making phone calls to customers to persuade them to change their existing provider, has dishonestly obtained customers' bank details and taken out policies using these details without their knowledge; and has been making phone calls claiming to be from HBOS, using high pressure tactics to persuade them to change their provider. In addition, Aaron Nickols told FSA, during a "compelled interview", that he was the only proprietor acting in a managerial capacity, knowing that his father, Tony Nickols, was conducting the day to day affairs of the firm (it is noted that Tony Nickols is currently the subject of an IVA).</p>		<p>http://www.fsa.gov.uk/pubs/final/warwick_finance.pdf</p>

Major compliance issues/TCF – banks/building societies/investment firms (inc IFAs) (inc refusals)

Firm/Individual	Short Summary	Fine	Links
Nomura International Plc (16 November 2009 – publicised 24 November 2009)	FSA has fined the firm for widespread systems and controls failings around book marking within its International Equity Derivatives business. The firm breached two FSA Principles - it failed to conduct its business with due skill, care and diligence and failed to take reasonable care to organise and control its affairs responsibly. FSA noted that the failings occurred over a prolonged period of time until they were identified by the firm in June 2008. The firm cooperated fully with FSA and received a discount as it settled at an early stage. Without the discount, the fine would have been £2.5 million.	£1.75m	http://www.fsa.gov.uk/pubs/final/nomura.pdf
Pacific Continental Securities (UK) Limited (in liquidation) (27 January 2009, publicised 28 January 2009) – see also Griggs/Weston under Individuals	On 28 January 2009, the firm was declared in default by FSCS. FSA found that between 1 April 2005 and 20 June 2007, the CEO and FD of the firm had acted without integrity, and had failed to ensure that customers were treated fairly or that the firm was properly run. The firm has been censured for misleading customers and allowing its advisers to use inappropriate sales practices when giving advice on high risk shares. It would have received a fine of £2m, if it was not in liquidation.		http://www.fsa.gov.uk/pubs/final/pacific_continental.pdf
Penn Financial Services Unlimited (6 April 2009)	<i>See under individuals – McCance, Norman Mark</i>		
Seymour Pierce Limited (8 October 2009)	FSA has fined the firm for failing to establish effective controls to guard against employee fraud. As a result of the firm's failings, an employee was able to steal approximately £150,000 completely undetected from the firm's internal and private client accounts in 36 separate transactions over a three year period. A number of the illicit transactions involved making unauthorised changes to static data (such as the client's name, address, bank account and payment instructions) on existing client accounts or taking advantage of dormant accounts. In one instance the employee transferred a personal trading loss into one of Seymour Pierce's internal accounts. The employee was dismissed prior to the discovery of the misdemeanours which only came to light when his replacement noticed serious accounting discrepancies.	£154,000	http://www.fsa.gov.uk/pubs/final/seymour_pierce.pdf

Major compliance issues/TCF – banks/building societies/investment firms (inc IFAs) (inc refusals)

Firm/Individual	Short Summary	Fine	Links
<p>Straumur-Burdaras Investment Bank hf. (9 March 2009)</p>	<p>FSA notes that the firm had run out of liquidity on 9 March 2009 and the Icelandic regulator has thus suspended the entire board of Straumur and is appointing a resolution committee to take over the powers of the board. FSA notes that the firm has not provided it with a credible business or funding plan as to its future operations on an ongoing basis. By this First Supervisory Notice, it requires the firm not to take any action which has, or may have, the effect of: (a) transferring, by dividend, loan, transfer of collateral or otherwise, any assets located in the UK on or from the date this requirement takes effect from; (b) creating any security interest over any UK assets; or (c) incurring, or increasing, the contractual or other liabilities (including, without limitation, any liability under a guarantee or indemnity) in the UK of, the firm to, in favour of, or for the benefit of any person unless the firm has given FSA at least three days' written notice of its proposed action and FSA has confirmed, in writing, that it has no objection to the proposal. The firm must cease carrying out any regulated or unregulated activities through its UK branch unless it has given FSA at least three days' written notice of its proposed activity and FSA has confirmed, in writing, that it has no objection to the activity. It is noted that this requirement does not prevent the firm from continuing to perform advisory functions as an AIM nomad in relation to client relationships that were in existence on 9 March 2009</p>		<p>http://www.fsa.gov.uk/pubs/financial/straumur_burdaras.pdf</p>
<p>Toronto Dominion Bank (London Branch) (15 December 2009, publicised 16 December 2009)</p>	<p>FSA has fined Toronto Dominion for repeated systems and controls failings around the pricing of sophisticated financial products which forced the bank to make a negative adjustment of CAD\$96m in July 2008. The breaches relate to pricing issues that were uncovered on a proprietary trader's books in the bank's Credit Products Group. Amongst other failings, FSA found that the bank failed to follow established procedures in ensuring the trader's books were independently verified, and did not have adequate controls in place which could have detected the pricing issues. The bank cooperated fully with FSA and agreed to settle at an early stage, thus qualifying for a discount - without it, the fine would have been £10m. FSA also notes that the bank's senior management promptly commissioned a thorough review of the matter, as well as a wider review of its systems and controls framework and business strategies. This is the bank's second fine for systems and controls failings and the fourth largest levied by FSA.</p>	<p>£7m</p>	<p>http://www.fsa.gov.uk/pubs/financial/toronto_dominion.pdf</p>

Major compliance issues/TCF – banks/building societies/investment firms (inc IFAs) (inc refusals)

Firm/Individual	Short Summary	Fine	Links
<p>UBS AG (5 August 2009, publicized 5 November 2009)</p>	<p>FSA has fined the firm £8m (the third largest fine FSA has ever imposed) for systems and controls failures that enabled four employees to carry out unauthorised transactions involving customer money on at least 39 accounts. FSA notes that the unauthorised activity, which took place between January 2006 and December 2007 at UBS' London-based wealth management business, only came to light when a whistleblower raised concerns internally. UBS employees had taken part in the trading of foreign exchange and precious metals using customer money without authorisation and allocated losses to customers' accounts. An internal UBS investigation estimated that as many as 50 unauthorised transactions a day were taking place at the operation's peak. FSA found that the firm had failed to: manage and control the key risks, and the level of risk, created by its international wealth management business model; implement effective remedial measures in response to several warning signs that suggested the business' systems and controls were inadequate; and provide an appropriate level of supervision over customer-facing employees. The firm has since paid compensation in excess of US\$42million by way of redress for its customers' loss.</p>		<p>http://www.fsa.gov.uk/pubs/financial/ubs_ag.pdf</p>

Major compliance issues/TCF – mortgage firms (inc refusals)			
Firm/Individual	Short Summary	Fine	Links
Aramide, Gabriel	<i>See under Individuals section below</i>		
Case Funding Centre (18 December 2009, publicised 7 January 2010)	FSA has fined this County Down mortgage intermediary for failures which led to at least 16 fraudulent mortgage applications being submitted to lenders. FSA found that CFC did not have adequate systems and controls in place to counter the risk of customers and staff submitting mortgage applications based on false income and employment information. Furthermore, advisers did little more than superficial ‘sense checks’ on mortgage applicants’ income and employment details. In addition, it issued a prohibition order against James Ian Shanks, a former partner and mortgage adviser at CFC, for recklessly submitting false information to lenders [see individuals section below].	£35,000	http://www.fsa.gov.uk/pubs/final/cfc.pdf
Gillen Farrelly Independent Advisers Limited (26 January 2009)	The Nottingham mortgage broking firm was fined for failing to ensure it provided suitable advice which exposed over 80 customers to the risk of being sold an unsuitable self-certified mortgage.	£17,500	http://www.fsa.gov.uk/pubs/final/gillen_farrelly.pdf
Henry Neil Limited (9 September 2009)	FSA has fined this financial advice firm £14,000 for failing to demonstrate that its advice on investment products was suitable. The most serious failings related to advice that customers give up segments of existing offshore investment bonds and reinvest the proceeds in new bonds, putting 13 customers at risk of buying unsuitable investment bonds. The problems at the firm were identified following FSA visits. The firm has been ordered to appoint an external compliance consultant to conduct a review of investment products sold between 10 June 2005 and 31 December 2007 and compensate any customers who may have suffered loss. It is noted that the firm settled at an early stage of the investigation, qualifying for a fine discount under enforcement procedures.		http://www.fsa.gov.uk/pubs/final/henry_neil.pdf
Herald Finance Ltd (6 April 2009, publicised 16 April 2009)	<i>See under Agbalaya, Abiola in Individuals section below</i>		

Major compliance issues/TCF – mortgage firms (inc refusals)			
Firm/Individual	Short Summary	Fine	Links
Mortgages Remortgages Ltd (23 March 2009, publicised 24 March 2009)	FSA has publicly censured this Doncaster mortgage broking firm for failing to ensure it provided suitable advice and exposing up to 80 of its customers to the risk of being sold an unsuitable self-certified mortgage. The case arose from an FSA thematic project looking at the sale of self-certified mortgages. Between January 2006 and April 2008 the firm failed to make appropriate enquiries about customers' source of income, expenditure, credit history and debt position, so that it could properly assess the affordability of its recommendations; and failed to demonstrate the plausibility of customers' declared income and expenditure. FSA has taken into account the fact that the firm has agreed to undertake a customer contact and remediation exercise. FSA notes that it would have sought to impose a fine of £20,000, were it not for the firm's financial position and the fact that the firm needs to be able to pay for the customer contact and remediation exercise.		http://www.fsa.gov.uk/pubs/final/mortgages_remortgages.pdf
Network Data Limited (2 June 2009)	FSA has cancelled the firm's Part IV permissions. In April 2009, it had issued two Supervisory Notices by which it had (a) varied the firm's Part IV permission by removing all regulated activities with immediate effect and (b) decided not to rescind the variation of the firm's permission effected by the First Supervisory Notice. The firm, which carried on regulated mortgage and insurance mediation business and business in relation to home reversion plans had "failed to meet its liabilities as they have fallen due" and was now in administration. Specifically, it had failed to pay amounts owed to ARs for its regulated business. Information provided to FSA by the firm shows that the total amount owed to ARs as at 6 April 2009 was £2,075,000, and that £967,245.83 was more than three months overdue.		http://www.fsa.gov.uk/pubs/final/network_data_fn.pdf http://www.fsa.gov.uk/pubs/final/1st_network_data.pdf http://www.fsa.gov.uk/pubs/final/network_data.pdf
Newcastle Home Loans Ltd (20 July 2009, publicised 4 August 2009) – see also individuals listed under “Newcastle Home Loans” in individuals section below	FSA has issued a prohibition order against the firm, noting that it worked closely with Northumbria Police and the Solicitors Regulation Authority (SRA) in this investigation which involved a significant number of individuals across a range of financial, property and legal businesses in the Newcastle area. NHL was used by its principals and by the mortgage introducers knowingly to submit mortgage applications to a lender which contained false information. Earlier this year FSA fined NHL £170,000 for submitting false information in mortgage applications and for allowing David Purdie to act as its chief executive without FSA approval. NHL failed to pay this fine (not previously publicised). FSA has also banned NHL's directors Linda Patterson and Grace Darling Purdie, and fined Mrs Purdie £85,000. Other individuals involved have also been banned - David Purdie, the shadow CEO, and mortgage introducers Michael Foster and Kenneth Robinson [see individuals under “Newcastle Home Loans” below].	£170,000 [previously undisclosed and not paid]	http://www.fsa.gov.uk/pubs/final/newcastle_hl_0226.pdf

Major compliance issues/TCF – mortgage firms (inc refusals)

Firm/Individual	Short Summary	Fine	Links
Ullah, Sofique t/a M A Financial Services and M A Mortgages (14 May 2009)	FSA has issued a prohibition order against a Bradford mortgage adviser, Sofique Ullah, who traded as M A Financial Services and M A Mortgages, for knowingly submitting mortgage applications supported by inaccurate and misleading employment details for himself and on behalf of his customers. Whilst acting in his capacity as principal, he also did not put in place adequate arrangements to control M A Financial Services and to counter the risk that it might be used to further financial crime. He failed to: take reasonable steps to verify client information; implement adequate record keeping systems; monitor mortgage business transacted; and understand the regulatory requirements associated with regulated mortgage business. FSA has also cancelled the firm's Part IV permission. The accompanying press release notes that the firm's authorisation was cancelled on 6 February 2009, but a Final Notice has not been published on FSA's website.		http://www.fsa.gov.uk/pubs/final/sofique_ullah.pdf
UK Finance House Ltd (8 April 2009)	<i>See under Dean, James and Dean, Peter – under Individuals below</i>		

Individuals – fitness and properness issues – bans/censures/refusals

Firm/Individual	Short Summary	Fine	Links
Abiona, Anthony t/a Renbe Associates (11 March 2009)	FSA has issued a prohibition order, taking effect on 11 March 2009, which prohibits this individual from performing any function in relation to any regulated activity carried out by an authorised person, exempt person or exempt professional firm and cancels the Part IV permission granted. FSA found that he had knowingly submitted mortgage applications containing false or misleading information to lenders on his own and his customers' behalf and had also failed to protect confidential customer information, ensure file reviews were adequately carried out and recorded, and ensure that information on mortgage application forms was not misleading.		http://www.fsa.gov.uk/pubs/final/renbe.pdf
Agbalaya, Abiola/Olantunji, Grace /Herald Finance Ltd (6 April 2009, publicised 16 April 2009)	FSA has issued a prohibition order against Abiola Agbalaya, a South London mortgage broker, and fined him for his knowing involvement in the submission of false mortgage applications, and Abiola Agbalaya was an FSA approved person and sole controller of Herald Finance Ltd (Herald) which operated in South London. FSA notes that "the fine is as a result of Mr Agbalaya's supervision of, and knowing involvement in, the submission of false mortgage applications". FSA has also issued a prohibition order against Grace Olatunji, who worked as a mortgage consultant for Herald, for submitting mortgage applications based on false income information. FSA found that Abiola Agbalaya obtained several mortgages after submitting mortgage applications, which significantly overstated profits of Herald and his own income and supervised the submission of two mortgage applications for Grace Olatunji which significantly overstated her income. The firm's Part IV permissions have also been cancelled.	£100,000 (Abiola Agbalaya only)	http://www.fsa.gov.uk/pubs/final/agbalaya.pdf http://www.fsa.gov.uk/pubs/final/olatanji.pdf
Ahmed, Ashfaqt/a Eastside Mortgages (25 March 2009, publicised 30 March 2009)	FSA has prohibited this individual performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm and has cancelled his firm's Part IV permission. FSA notes that he had submitted two mortgage applications containing false information about his income from his firm, Eastside Mortgages. On his various mortgage applications he declared self-employed annual income from the firm of approximately £50,000 between 2003 and 2007, but he declared negligible amounts of income to HMRC over the same period.		http://www.fsa.gov.uk/pubs/final/eastside.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Ahmed, Mohammed (23 February 2009, publicised 2 March 2009)	FSA has prohibited this individual from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm on the grounds of fitness and properness. FSA notes that he had submitted three mortgage applications containing false information about his personal and financial circumstances which were supported by the submission of false P60s and payslips. He also failed to disclose the true extent of his property holdings when applying for a mortgage. While working for Derick Anthony Whewall t/a The Mortgage Exchange, he submitted eight mortgage applications for customers which contained false information.		http://www.fsa.gov.uk/pubs/final/m_ahmed.pdf
Aramide, Gabriel (27 April 2009, publicised 11 May 2009)	FSA has issued a prohibition order against Gabriel Aramide, a mortgage broker, and fined him £101,279.49 (a disgorgement of financial benefit of £1,279.49 and a penalty element of £100,000 for a failure to comply with Principles 1 and 4 of APER). FSA found that he had obtained individual approval on a false basis by deliberately concealing his previous involvement in fraud and his criminal record; obtained a £255,000 mortgage for himself through his firm, 1st Point, which was based on false and misleading information; and failed to co-operate with FSA's investigation into circumstances suggesting his knowing involvement in mortgage fraud for himself and for a number of 1st Point customers.		http://www.fsa.gov.uk/pubs/final/gabriel_aramide.pdf
Benville, Gordon /Gordon Benville t/a Kingsfield (26 March 2009)	FSA has issued a prohibition order against Gordon Benfield, a sole trader authorised to carry on regulated mortgage and insurance mediation business, from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm, effective 26 March 2009. FSA notes that, in June 2008, he was convicted, upon his own confession, of 16 counts of financial crime offences and was sentenced to three years and six months imprisonment. The Part IV permissions of his firm have also been cancelled. http://www.fsa.gov.uk/pubs/final/gordon_benville.pdf		http://www.fsa.gov.uk/pubs/final/gordon_benville.pdf http://www.fsa.gov.uk/pubs/final/kingsfield_26mar09.pdf
Chianelli, Guiliano t/a GCM (3 June 2009, publicised 16 June 2009)	FSA has issued a prohibition order (effective from 3 June 2009) against Guiliano Chianelli, a mortgage broker, for declaring false and misleading information about his income in order to obtain a mortgage and for failing to cooperate with FSA by refusing to provide his customers' mortgage files. FSA notes that his earnings as stated in his mortgage application were much higher than his income declared to HMRC for the same period. He claimed that the income figures were correct because the difference was made up by his winnings from gambling which were not subject to tax.		http://www.fsa.gov.uk/pubs/final/guiliano_chianelli.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Chianelli, Guiliano t/a GCM (3 June 2009)	FSA has issued a prohibition order against Tooting-based mortgage broker Guiliano Chianelli for declaring false and misleading information about his income in order to obtain a mortgage. His earnings as stated in his mortgage application were much higher than his income declared to HMRC for the same period. He claimed that the income figures were correct because the difference was made up by his winnings from gambling which were not subject to tax. He also failed to co-operate with FSA by refusing to provide his customers' mortgage files, thereby preventing FSA from assessing whether he was also knowingly involved in the submission of false and misleading mortgage applications for his customers.		http://www.fsa.gov.uk/pubs/final/guiliano_chianelli.pdf
Chowdhury, Zia (8 April 2009 – publicised 30 April 2009)	FSA has prohibited this individual from performing any function in relation to any regulated activity carried on by any authorised or exempt person or exempt professional firm. FSA notes that he had certified client identity documents accompanying fraudulent mortgage applications, submitted them in circumstances in which, in FSA's opinion, he must have suspected that false information might have been used to support them, arranged for his father to become the sole approved person at Express Financial Solutions Limited from 31 October 2004, rather than himself, even though he was the individual carrying out controlled functions at Express Financial; and knowingly carried out, from June 2007 at the latest, controlled functions at Express Financial without being approved		http://www.fsa.gov.uk/pubs/final/zia_chowdhury.pdf
Cook, John David /Stone Financial Management Limited (26 January 2009)	FSA has issued a prohibition order against the individual to prevent him from carrying out any function in relation to any regulated activity carried out by an authorized person, exempt person or exempt professional firm. He was the director and sole shareholder of Stone Financial Management Limited, a small firm specialising in mortgages. In 2007, he voluntarily withdrew his approved status after FSA raised concerns about his failure to reveal facts relevant to his fitness and propriety. Following the withdrawal, he could not hold senior management functions at the firm. With his approved status removed, he appointed two consecutive replacement directors so that the firm could continue to function. The first director left on 31 October 2007, and the second lacked the necessary skills to carry out the type of business in which the firm specialised. This resulted in the individual retaining day-to-day control of the business but without the relevant approval - consequently, the firm has lost its Part IV permission. FSA also found that he had knowingly submitted mortgage applications with inaccurate and misleading information where his clients' incomes had been inflated.		http://www.fsa.gov.uk/pubs/final/john_cook.pdf http://www.fsa.gov.uk/pubs/final/stone_financial.pdf

Individuals – fitness and properness issues – bans/censures/refusals

Firm/Individual	Short Summary	Fine	Links
<p>Cumming, Andrew (13 November 2009)</p>	<p>Following the recent FSA enforcement action against UBS AG, Andrew Cumming, a former client adviser at its London branch, has been fined £35,000 and prohibited from performing any regulated function for a minimum period of five years on the grounds that he is not fit and proper. FSA's investigation concluded that he signed paperwork which helped to document false loans used to conceal losses arising from authorised trading on seven occasions between October 2005 and October 2007, having been asked by a senior colleague to do so, even though he knew the 'loans' were not authorised by UBS. In setting the financial penalty, FSA took into account the fact that he did not initiate the circumstances which led to his misconduct, nor did he conduct any of the unauthorised transactions. Because he agreed to settle at an early stage of FSA's investigation he qualified for a 30% discount in respect of his financial penalty. He also proved to FSA that he is in serious financial hardship, entitling him to a further discount. FSA notes that if it were not for these factors it would have imposed a financial penalty of £100,000.</p>	<p>£35,000</p>	<p>http://www.fsa.gov.uk/pubs/final/cumming.pdf</p>
<p>Darby, Graham (6 July 2009)</p>	<p>FSA has issued a prohibition order against Graham Darby, director of Ambrose Darby, an insurance firm, for failing to control the business of the firm adequately. This bans him from performing significant influence functions at any authorised financial firm. FSA found that: there were no systems and controls in operation at the firm to manage the receipt of monies from customers or to effect the payment of premiums to insurance providers; it appeared at one time that it owed insurance providers £83,814.71 and was owed £61,961 from customers (some of which had been outstanding for more than 90 days); and due to the individual's medical condition and the absence of structured systems and controls the firm lacked adequate resources from both a financial and personnel point of view. Following the diagnosis of his illness in July 2008 he did not seek assistance to deal with his business affairs. FSA also petitioned for the winding up of Ambrose Darby on the basis that Graham Darby, as a result of his illness, was not able to resolve the client money issues at the firm and wind up the company himself in an orderly fashion and there was no other officer of the firm who was able to do this. The winding up order was granted on 10 March 2009. It is the first time the FSA has exercised its insolvency powers under s367 FSMA in relation to a regulated small retail firm.</p>		<p>http://www.fsa.gov.uk/pubs/final/graham_darby.pdf</p>

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Davies, Christopher Terence (25 August 2009)	FSA has fined this individual, who is a director of Newquay Investment Services (2004) Limited, an IFA based in Cornwall, for not disclosing to FSA information about an adviser he had employed at the firm. After the firm had applied to FSA last year for the adviser to be confirmed as an approved person, he became aware that the adviser's previous employer had suspended the adviser over concerns about his business methods and ethics including apparently inflating income figures in mortgage applications. The individual raised these concerns with the adviser and concluded that the adviser had lied to him about why he had left his previous employment, but failed to disclose this information to FSA.	£17,500	http://www.fsa.gov.uk/pubs/final/christopher_davies.pdf
Davis, Antoinette t/a Ability Mortgage Solutions (23 November 2009, publicised 30 November 2009)	FSA has issued a prohibition order against this individual, a mortgage broker based in Essex, on the grounds of fitness and properness. She had previously been an adviser at another firm but, when its proprietor was made bankrupt, agreed to set up Ability Mortgage Solutions and act as a sole trader and continue servicing her previous employer's client base. FSA concluded that she failed to: establish appropriate systems and controls; take reasonable care to ensure suitable advice is given; understand the standards FSA requires of authorised persons; and prove that she was providing sound mortgage recommendations. It was noted that she had employed a compliance consultant but when it identified areas of serious concern, failed to act on its recommendations promptly. FSA also found that she had failed to ensure sufficient information was obtained from customers before recommending a product opening up the possibility that customers were offered unsuitable advice or even sold inappropriate mortgages. She acknowledged that the letters sent to customers documenting why a mortgage recommendation was suitable were generic and not tailored to the specific needs of the individual. The permission of Ability Mortgage Solutions has also been cancelled.		http://www.fsa.gov.uk/pubs/final/ability.pdf
Dean, James/Dean, Peter/UK Finance House Ltd (8 April 2009)	FSA has banned Dorset mortgage brokers Peter and James Dean for failing to prevent their firm (UK Finance House Limited (UKFH)) from being used to perpetrate financial crime and for other serious regulatory failures. Peter Dean has also been fined £17,500 (includes a 30% discount for having settled at an early stage). The FSA has also cancelled the permission of UKFH.	£17,500 - Peter Dean only	http://www.fsa.gov.uk/pubs/final/james_dean.pdf http://www.fsa.gov.uk/pubs/final/peter_dean.pdf http://www.fsa.gov.uk/pubs/final/uk_finance.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Esqulant, Daniel (7 July 2009)	FSA has issued a prohibition order against the individual, a mortgage broker, for submitting four mortgage applications for himself and one for a close relative all supported by false and misleading income information. In these applications, his earnings and those of his relative, were much higher than their income as declared to HMRC.		http://www.fsa.gov.uk/pubs/final/daniel_esqulant.pdf
Farid, Raschid (19 November 2009)	FSA has issued a prohibition order against this individual, who had previously operated as a sole trader, trading as Lifestyle Mortgages (Kirklees) and who had been authorised between 2004 and 2007. In 2009, he had been convicted of a dishonesty offence and two counts of financial crime offences and been sentenced to 11 years imprisonment. He had submitted a number of false mortgage applications through Lifestyle Mortgages in 2007 to a lender, using genuine details but without the owners' knowledge, or after fraudulently altering the details of owners held by the Land Registry. As a result of these actions, the lender suffered losses of £787,050.		http://www.fsa.gov.uk/pubs/final/rashid_farid.pdf
Glenn, Clifford James t/a Clifford Glenn (4 June 2009)	FSA has highlighted this Second Supervisory Notice by which it has decided not to rescind the variation of permission granted to this individual effected by the First Supervisory Notice dated 30 January 2009. FSA notes that he had sent an email in March 2009 which he "accepted with regret the facts in the Warning Notice but asked for a final opportunity to make the payments to the FSA, implement the lapsed PII and make the submissions via the GABRIEL system. You had been working as a financial adviser since 1984 without complaint. However, the last three years had been difficult for you both personally and financially. In the last 12 months, you had not accepted or processed any application for your services but you were ready to re-commit to the level of excellence of which you were proud. Whilst the FSA accepts that the last few years may have been difficult for you, on the evidence you present it is not in a position to be satisfied that you will satisfy, and continue to satisfy, the threshold conditions. In particular, you accept that you have no compliant professional indemnity insurance but you give no evidence of steps to obtain it or how it will be funded. In the FSA's letter to you of 16 March, it stated that Enforcement's position was that should you provide evidence of compliant PII it would recommend that the effect of the First Supervisory Notice is reversed. As at the date of this notice, so such evidence has been received, the FSA's serious concern that claims for which you are uninsured might arise from new business".		http://www.fsa.gov.uk/pubs/final/clifford_james2.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Gray, Simon Robert (25 June 2009)	FSA has issued a prohibition order against this individual, effective from 25 June 2009. He had been the sole director of Direct Mortgages (Bury St Edmunds) Limited. This firm was previously an appointed representative of Personal Touch Financial Services Limited from 6 March 2006 until 20 April 2007. In October 2008, the individual had been convicted at City of Westminster Magistrates' Court of five counts of misleading FSA, contrary to s398(1) FSMA and four counts of using a false instrument, contrary to ss3 and 6 of the Forgery and Counterfeiting Act 1981. He had committed these offences during repeated applications to become an FSA approved person. Specifically, he made false and misleading statements to FSA about his dismissal from Personal Touch and about a police investigation for which he received a caution for attempting to obtain property by deception. He also used forged documents in support of his false and misleading statements to FSA. He was subsequently sentenced to 18 weeks imprisonment suspended for 18 months at City of Westminster Magistrates' Court. He was also ordered to pay costs of £750 to FSA.		http://www.fsa.gov.uk/pubs/final/simon_gray.pdf
Griggs, Steven Griggs/Weston, Charles (27 January 2009/31 July 2008 – publicised 28 January 2009) – see also Pacific Continental Securities (UK) Limited (in liquidation)	FSA has banned the former CEO of Pacific Continental Securities UK Limited, Steven Griggs, and its former FD, Charles Weston, from carrying out any significant influence functions and carrying out any regulated activities respectively. They have also been fined for serious failures in the company which led to customers buying high risk shares without suitable advice. On 28 January 2009, the firm was declared in default by FSCS. FSA found that between 1 April 2005 and 20 June 2007, the individuals had acted without integrity, and had failed to ensure that customers were treated fairly or that the firm was properly run. In particular, Steven Griggs failed to ensure that: advisers did not use high pressure sales tactics in selling shares to customers; advisers did not exceed the trading limits on customers' accounts; the claims made by the firm about its research into the high risk shares it recommended were honest and realistic and there were adequate compliance monitoring and training arrangements at the firm. Charles Weston's failings were considered serious because he: was aware that the firm used high pressure sales tactics and knowingly allowed advisers to continue doing so; knew that advisers were recommending shares to benefit the firm, not their customers; failed to ensure customers' complaints were suitably handled; and did not ensure the firm and its advisers were complying with their regulatory requirements. They misled FSA about the true nature of their relationship with an individual linked to boiler room fraud. FSA has also censured the firm.	£80,000 and £95,000 respectively	http://www.fsa.gov.uk/pubs/final/steven_griggs.pdf http://www.fsa.gov.uk/pubs/final/charles_weston.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Hanif, Mohammed /Sarfraz, Zaneb t/a Pak Property Centre/Saddiq (5 November 2009, publicised 11 November 2009)	FSA has issued a prohibition order against Mohammed Hanif, a mortgage broker based in Birmingham, for obtaining authorisation by giving FSA false information to conceal his involvement in the running of the business. The authorisation application stated that his daughter-in-law, Zaneb Sarfraz, trading as Pak Property Centre, had the necessary competence, capability and business experience to be an authorised person, and that she would be involved in the management and control of Pak Property Centre. In fact, she had no knowledge of the financial services industry, she was not aware of the purpose of the authorisation application submitted in her name, and she had very little involvement in the running of the business. Together with the only mortgage adviser at Pak Property Centre, Anmbur Saddiq, Mohammed Hanif submitted a mortgage application for Mrs Sarfraz based on false information about her earnings from the business. Anmbur Saddiq also made false mortgage applications for himself and for a family member. He has also been banned by the FSA. The permission of Zaneb Sarfraz trading as Pak Property Centre has also been cancelled.		http://www.fsa.gov.uk/pubs/final/mohammed_hanif.pdf http://www.fsa.gov.uk/pubs/final/anmbur_saddiq.pdf http://www.fsa.gov.uk/pubs/final/zaneb_sarfraz.pdf
Heaney, Noel t/a Heaney Finance (27 November 2009, publicised 1 December 2009)	FSA has issued a prohibition order against this individual, a mortgage broker based in Northern Ireland, after identifying wide-ranging management and control problems across his business and for failing to treat his customers fairly. FSA notes that he entrusted the running of his business to an inexperienced employee and did not ensure that his advisers received adequate training and support. Having delegated so much responsibility to another person however, he failed to put in place management information that could have helped him be informed about the business being conducted in his name. He also exposed his business to the risk of being used by third parties to commit mortgage fraud and failed to take remedial action identified by two compliance consultants and FSA, and he did not have in place a complaint handling procedure. The permission of Heaney Finance has also been cancelled.		http://www.fsa.gov.uk/pubs/final/heaney_finance_dec09.pdf
Hilder, Peter Richard t/a Savings Assured Mortgages (6 January 2009)	FSA has prohibited this individual from performing any function in relation to any regulated activity carried on by any authorised or exempt person or exempt professional firm. FSA notes that he was convicted of four counts of obtaining a money transfer by deception in August 2008 and has been sentenced to three years' imprisonment for each offence, to run concurrently. As a result of these actions, he dishonestly obtained 19 mortgages totalling approximately £2.78 million. FSA has also cancelled the permissions of his firm, Savings Assured Mortgages.		http://www.fsa.gov.uk/pubs/final/peter_hilder.pdf http://www.fsa.gov.uk/pubs/final/savings_assured.pdf

Individuals – fitness and properness issues – bans/censures/refusals

Firm/Individual	Short Summary	Fine	Links
<p>Holmes, Richard (3 July 2009)</p>	<p>FSA has fined Richard Holmes, a director of insurance broker AIF Limited, for control failings in relation to an AR firm. In September 2006, he appointed an AR without carrying out the necessary checks, using only assurances from two business contacts. These individuals were subsequently banned by FSA on 2 November 2006. The following February, an insurance underwriter advised Richard Holmes that the AR had premiums outstanding and rather than checking further, he relied on assurances from the AR that the premiums had been brought up to date. Again, when the AR appeared to have problems paying insurance premiums promptly to AIF, he failed to increase his monitoring in any way and nor did he investigate the way the AR was carrying out its business. Finally, following a complaint made by a client of the AR in September 2007, regarding its failure to put insurance in place, Holmes terminated the AR's status. Richard Holmes subsequently became aware that the AR had received clients' premiums but failed to pass them on to the underwriter, leaving the clients uninsured. In addition, the AR had also instructed AIF to arrange insurance policies on behalf of clients but had failed to pass on the client premiums to AIF. FSA is satisfied that he then ensured that AIF took steps to arrange alternative insurance for the clients who had been left uninsured and also ensured that cover was maintained where AIF had already provided instructions to the insurer. The cost to AIF of ensuring clients remained on cover was approximately £27,000. Jonathan Phelan of FSA comments "Directors who fail to discharge their personal responsibilities, including monitoring ARs properly, give rise to a risk of consumer loss and we will take action against them"</p>	<p>£20,020</p>	<p>http://www.fsa.gov.uk/pubs/final/Richard_Holmes.pdf</p>
<p>Hopkinson, Harry Brian/Western County Consultants Ltd (9 January 2009)</p>	<p>FSA has withdrawn the approval granted to Harry Hopkinson in relation to the firm on the grounds of fitness and properness - specifically, he failed to comply with a FOS award made against him as a sole trader, relating to advice given by him in 1987 and 1992. FSA has also cancelled the firm's Part IV permissions as Harry Hopkinson is the sole director and controller of the firm.</p>		<p>http://www.fsa.gov.uk/pubs/final/harry_hopkinson.pdf http://www.fsa.gov.uk/pubs/final/western_county.pdf</p>
<p>Jewitt, Dennis/Regency Mortgages UK Limited (17 February 2009)</p>	<p>Dennis Jewitt is the sole director and a controller by shareholding of Regency Mortgages UK Limited. FSA has withdrawn Dennis Jewitt's approval on the grounds of fitness and properness (he was adjudged bankrupt in September 2007) and has consequently withdrawn the firm's Part IV permission as it does not have any approved persons in relation to the regulated activities for which it has permission.</p>		<p>http://www.fsa.gov.uk/pubs/final/dennis_jewitt.pdf http://www.fsa.gov.uk/pubs/final/regency_mortgages.p df</p>

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Johnson, Akin t/a Lifestyle Mortgages Islington (9 June 2009)	FSA has issued a prohibition order against this individual, a sole trader mortgage broker. FSA noted that he had employed people without assessing their fitness and propriety and without providing adequate training or supervision; allowed employees access to his clients' personal data and his computer systems, allowing them to submit false and misleading mortgage applications without his knowledge; failed to put in place adequate systems and controls to identify and monitor cases being submitted in the name of Lifestyle Mortgages thereby allowing the business to be used as a vehicle to commit mortgage fraud; and failed to put in place adequate systems and controls to identify discrepancies in mortgage applications submitted to lenders in his own name. In addition, he failed to disclose to FSA that he had been removed from the mortgage intermediary panels of two lenders.		http://www.fsa.gov.uk/pubs/final/akin_johnson.pdf
Karim, Abdul / Monopoly@States Limited (1 July 2009)	FSA has issued a prohibition against the individual. He applied for a mortgage of £480,000 telling the lender that his annual income was more than £100,000 – while at the same time declaring an annual income to HMRC of £30,000. FSA has also cancelled the permission of his firm.		http://www.fsa.gov.uk/pubs/final/abdul_karim.pdf http://www.fsa.gov.uk/pubs/final/monopoly_states.pdf
Kennedy, Richard/Dynamic Mortgage Brokers Ltd (14 January 2009)	FSA has issued a prohibition order against the individual, a director of Dynamic Mortgage Brokers, and fined him for submitting false mortgage applications. The fine is made up of £100,000 financial penalty and giving up £1,106 illicit profit made on false applications. FSA found that he had obtained a mortgage for himself using false and misleading information about his earnings and employment and was knowingly involved in the submission of mortgage applications for at least four customers that were based on false and misleading information about them. FSA also cancelled the firm's Part IV permission, as Richard Kennedy was its only Approved Person	£101,106	http://www.fsa.gov.uk/pubs/final/richard_kennedy.pdf http://www.fsa.gov.uk/pubs/final/dynamic.pdf
Kirk, Arthur Kirk t/a Grosvenor Mortgage Advice Centre (15 September 2009)	By this Final Notice, FSA has issued a prohibition order against the individual, the sole principal responsible for mortgage advice at the Manchester based firm, and cancelled the firm's permissions. FSA said that he had failed to: establish appropriate systems and controls to reduce the risk of the firm being used for financial crime, specifically mortgage fraud; establish appropriate systems and controls to ensure that the advice given was suitable; and take remedial action required by FSA.		http://www.fsa.gov.uk/pubs/final/arthur_kirk.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Kuun, Simon John Graham/MFP Group Plc (16 December 2009)	FSA has fined Simon Kuun, the director of MFP Group Plc, a financial planning firm, for lying repeatedly to the regulator and issued a prohibition order against him (with effect from 16 December 2009). An FSA investigation in 2008 found that he lacked the honesty and integrity expected of an approved person. He was fined £50,000. The case was then referred to FSMT who have now upheld FSA's original findings, but increased the fine to £75,000 as the individual also lied to FSMT when giving evidence ("the Tribunal takes into account that there is no allegation of mis selling by MFP by the FSA but considers that the manner and extent to which Mr Kuun misled the FSA was very serious and were others to adopt such behaviour it would be very detrimental to the system of regulation adopted by the FSA"). It is noted that in 2005 the individual told FSA that his business had stopped using unapproved and unqualified staff to visit customers, but he had in fact transferred their contracts to a company called Membership Services Limited (MSL), which was registered in the West Indies. He then denied any involvement with the firm, maintaining that MSL was owned and run in Switzerland by an acquaintance called John Graham. An investigation found that the individual himself was the subscriber who paid for MSL's mailbox address in Switzerland, and that any post addressed to MSL was forwarded back to MFP's office in Bromsgrove. MFP's Part IV permission has also been withdrawn.	£75,000	http://www.fsa.gov.uk/pubs/final/simon_kuun.pdf http://www.fsa.gov.uk/pubs/final/mfp.pdf – <i>see separate FSMT Decisions document for link to judgment</i>
Leo Kusi-Appiah t/a Oxford House Financial Services (12 March 2007 – publicised 16 February 2009)	FSA has issued a prohibition order against mortgage broker Leo Kusi-Appiah, who was recently jailed after pleading guilty at St Albans Crown Court to obtaining property by deception in connection with mortgage fraud. FSA found that Mr Kusi-Appiah, who traded as Oxford House Financial Services in North London, submitted fraudulent mortgage applications in his own name, in his wife's name, and in the name of a fictitious person called Kwadjo Amoteng. FSA notes that Leo Kusi-Appiah sent FSA a handwritten letter from Ghana in which Kwadjo Amoteng confessed to committing mortgage fraud offences using Leo Kusi-Appiah's name. Handwriting analysis showed that the letter was probably written by Leo Kusi-Appiah. He had also made false and misleading statements to FSA about his business arrangements, and he failed to disclose in his application for authorisation that he had been the subject of two CCJs. The ban is dated 12 March 2007, but FSA had been unable to publish the Final Notice pending the outcome of the court case. The second Final Notice, also dated 12 March 2007, cancels the firm's Part IV permission.		http://www.fsa.gov.uk/pubs/final/kusi_appiah.pdf http://www.fsa.gov.uk/pubs/final/oxford_house.pdf

Individuals – fitness and properness issues – bans/censures/refusals

Firm/Individual	Short Summary	Fine	Links
<p>Lloyd, Philip Graham (22 September 2009)</p>	<p>By this Final Notice, FSA confirms that it has decided to refuse an application from this individual to perform the controlled function C30. This follows the recent FSMT Decision in favour of FSA. FSA notes that it is not satisfied that he had not demonstrated that he met the criteria of honesty, integrity and reputation and competence and capability for reasons which included: (1) his knowing failure to disclose in his application that he had been subject to an investigation by his former employer and had resigned during a disciplinary hearing; (2) his deliberate recording of fictitious information about a customer on a proposal of insurance; (3) his failure to complete customer fact finds correctly and accurately giving rise to the risk of replacement selling and the avoidance of his former employer’s policy and rules regarding the protection of elderly customers.</p>		<p>http://www.fsa.gov.uk/pubs/final/philip_lloyd_apar.pdf</p>
<p>Luzinda, Moses t/a Remos & Co (8 January 2009)</p>	<p>FSA has issued a prohibition against the individual for submitting false mortgage applications. It found that he was knowingly involved in the submission of mortgage applications to lenders for himself and customers of the firm based on false and misleading information and gave contradictory excuses for failing to comply with FSA requests for mortgage client files - saying both that the files were stored at another location and also that they had been converted into electronic format and subsequently lost during a computer crash.</p>		<p>http://www.fsa.gov.uk/pubs/final/moses_luzinda.pdf</p>

Individuals – fitness and properness issues – bans/censures/refusals

Firm/Individual	Short Summary	Fine	Links
<p>McCance, Norman Mark/Penn Financial Services Unlimited (6 April 2009)</p>	<p>FSA has issued a prohibition order against Worcestershire financial adviser Norman Mark McCance for failings related to quality and suitability of advice and compliance at his firm, Penn Financial Services Unlimited. Penn’s main business was investment bonds. The FSA found that he lacked competence and capability and on occasions acted recklessly. As sole director at the firm, he also failed to ensure that it met FSA compliance standards. He had: acted recklessly in arranging transactions which could not be justified in terms of suitability, particularly in relation to advising customers to re-mortgage to raise funds to invest in investment bonds which were unlikely to generate sufficient income or capital to repay the mortgages; acted recklessly in providing written loss guarantees to individuals who complained about the performance of their investment bonds, thereby deterring them from pursuing complaints about their investments; failed to record sufficient and accurate information about customers’ personal and financial circumstances for assessing the suitability of recommendations; completed mortgage applications with inaccurate information; and conducted pension transfers outside the scope of the firm’s permission. As a director of the firm, he had failed to: put in place adequate and effective compliance arrangements over the firm’s business; monitor and/or review the firm’s business by undertaking compliance checks; or improve the firm’s compliance resources despite recognising these were inadequate. The firm's Part IV permission has been cancelled.</p>		<p>http://www.fsa.gov.uk/pubs/final/Norman_McCance.pdf http://www.fsa.gov.uk/pubs/final/Penn.pdf</p>

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Marlow, Neil and Timothy – see also City Gate Money Managers in major compliance failures above (20 July 2009)	FSA has issued prohibitions against and fined the directors of a Yorkshire-based financial group for their misleading promotions and the mismanagement of an investment scheme which put 53 customers at serious risk of losing nearly £10m they had invested on the basis of a guaranteed return of at least 6%. Neil Marlow, and his son Timothy, of the Bridford Group were approached by ‘businessmen’ with an investment scheme and did not properly consider whether the scheme could work or investigate who they were dealing with. They also made a series of unauthorised transfers of investors’ funds in an attempt to generate the returns on the investment that customers had been promised. The result was that the assets could not be realised at the scheduled maturity date to repay the investors. The customers would have lost all their investment but for the corporate trustees’ professional indemnity insurers agreeing to repay their capital and the interest payments they had been promised. FSA notes that both individuals settled at an early stage in the proceedings and the fine of £38,383 imposed on Neil Marlow and the fine of £31,838 on Timothy Marlow reflects this. Both have been banned from holding any significant management influence functions. FSA has also fined City Gate Money Managers Ltd of Glasgow for approving financial promotions issued by the AR run by the Marlows.	£38,383 (Neil Marlow) £31,838 (Timothy Marlow)	http://www.fsa.gov.uk/pubs/final/neil_marlow_jul09.pdf http://www.fsa.gov.uk/pubs/final/tim_marlow_jul09.pdf
Mirza, Nighat (15 December 2009, publicised 15 December 2009)	FSA has issued a prohibition order against Nighat Mirza, a partner at KS Financial, a Manchester-based mortgage brokerage, for lacking competence and for failing to manage the firm’s affairs properly. FSA says that, despite being a partner, she had little knowledge of the firm's mortgage business or its regulatory requirements. She also had little involvement in the day to day running of the firm. During its investigation, FSA found that she had been absent for long periods due to illness and had failed to properly delegate her significant influence responsibilities in this time. FSA notes that it considered whether to impose a financial penalty on the individual but did not do so on the grounds that it would cause her serious financial hardship.		http://www.fsa.gov.uk/pubs/final/mirza.pdf
Montserret, Loic Albert Antoine (29 April 2009)	<i>See under Market Abuse above</i>		http://www.fsa.gov.uk/pubs/final/loic_montserret.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Moorley, Steven (27 August 2009, publicised 1 September 2009)	FSA has withdrawn the approval for this individual, director of Premier Network Group Ltd (in liquidation) in Leicestershire, to perform the roles of CEO and "apportionment and oversight of responsibilities" because it found he lacked the necessary competence and capability. FSA found that he had failed to manage and control a network of mortgage brokers to acceptable standards and that, as a result of this, some of the network's ARs took advantage of the weak systems and controls by submitting fraudulent mortgage applications and recommending unsuitable mortgage contracts. He also failed to ensure that the network: handled complaints in compliance with regulatory requirements; submitted complete and accurate information to FSA in its regulatory returns; and took appropriate action when some of its ARs were removed from lenders' panels. FSA notes that he has been open and cooperative with its investigation, that he accepted that there were management and control failures, and that the network ceased conducting new business to mitigate any ongoing risk to customers. FSA would also have imposed a fine of £30,000 on him but for evidence that imposing such a financial penalty would have caused him financial difficulty and threatened his solvency.		http://www.fsa.gov.uk/pubs/final/steven_moorley.pdf
Moore, James Alexander (19 June 2009)	This notes that, on 14 May 2009, FSA decided to refuse an application made by Redburn Partners LLP under s60 FSMA for the approval of James Alexander Moore to perform the customer function (controlled function 30). FSA was not satisfied that he is a fit and proper person to perform the controlled function applied for, as he did not demonstrate that he satisfied the honesty, integrity and reputation criteria		http://www.fsa.gov.uk/pubs/final/james_moore.pdf
Newcastle Home Loans Ltd – banned individuals (February/June 2009, publicised 4 August 2009) – see also Newcastle Home Loans in mortgage firms section above)	The firm was used by its principals and by the mortgage introducers knowingly to submit mortgage applications to a lender which contained false information. Earlier this year FSA fined NHL £170,000 for submitting false information in mortgage applications and for allowing David Purdie to act as its chief executive without FSA approval. NHL failed to pay this fine (not previously publicised). FSA has also banned NHL's directors Linda Patterson and Grace Darling Purdie, and fined Mrs Purdie £85,000. Other individuals involved have also been banned - David Purdie, the shadow CEO, and mortgage introducers Michael Foster and Kenneth Robinson [see prohibition order against the firm under mortgage firms above.	£85,000 (Grace Darling Purdie)	http://www.fsa.gov.uk/pubs/final/lpatterson_0226.pdf http://www.fsa.gov.uk/pubs/final/gpurdie_0603.pdf http://www.fsa.gov.uk/pubs/final/dpurdie_0226.pdf http://www.fsa.gov.uk/pubs/final/mfoster_0226.pdf http://www.fsa.gov.uk/pubs/final/krobinson_0226.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Nickols, Aaron t/a Warwick Finance (24 November 2009, publicised 7 December 2009)	FSA has issued a prohibition order against this individual on the grounds of fitness and properness. Warwick Finance was a broker firm operating with 10 nationwide branches selling mortgage and general insurance products on what FSA describes as a "purportedly non-advised basis". FSA's investigation found that the individual failed to ensure his customers were treated fairly and failed to prevent his staff using high pressure sales techniques, including making unsolicited phone calls to the public, falsely claiming to represent well known high street financial service providers and questioning the stability of customers' existing policy providers in order to encourage the purchase of a new policy through the firm. Staff also obtained direct debit details from potential customers and set up insurance policies in their name without permission. He also failed to have appropriate systems and controls in place and failed to deal honestly with FSA by making incorrect statements to it and not making improvements he had promised to make to improve the firm's treatment of customers.		http://www.fsa.gov.uk/pubs/final/aaron_nickols.pdf
Ogunmove, Tomilola Omolola (22 September 2009, publicised 21 October 2009)	FSA has issued a prohibition order against this mortgage broker for knowingly submitting false and misleading information about her income to four lenders to obtain mortgages for herself. As well as submitting fraudulent mortgage applications, the individual failed to co-operate with FSA by refusing to provide a sample of mortgage client files or deal with the investigators.		http://www.fsa.gov.uk/pubs/final/tomilola_ogunmoye.pdf
Olantunji, Grace (6 April 2009, publicised 16 April 2009)	<i>See under Agbalaya, Abiola</i>		
Piper, Matthew Sebastian (13 May 2009) - See also under "banks etc" above for Morgan Stanley	FSA has issued a prohibition order against Matthew Sebastian Piper, a former proprietary trader at Morgan Stanley International, from performing any function in relation to any regulated activity on the grounds that he is not a fit and proper person. He was also fined . Matthew Piper was found to have deliberately mis-marked the positions he traded on behalf of Morgan Stanley and sought to hide losses by manipulating the processes the firm had in place to monitor trading activity. On discovery of the mis-marking, the firm suspended Matthew Piper and senior management commissioned a review into the marking of his positions.. FSA took into consideration the full cooperation of both parties, who thus qualified for a reduction in fine under the settlement discount scheme.	£105,000	http://www.fsa.gov.uk/pubs/final/matthew_piper.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Rana, Mohammad (t/a Countrywide Management Consultancy and as Property Compass) (24 April 2009)	FSA has cancelled the Part IV permissions of this individual, who had been authorised conduct regulated mortgage and insurance mediation business. Further to disciplinary action in 2008 [see 22 May 2009]. He had entered into a Settlement Agreement with FSA on 6 May 2008 by which he agreed to pay a financial penalty of £14,700 in two instalments of £7,350 and had also agreed to appoint a third party compliance consultant to sign off future mortgage sales for a six month period, and to undertake a past business review to identify unsuitable recommendations (and pay redress to customers where appropriate). FSA says that he has breached the terms of the Settlement Agreement by failing to pay any of the financial penalty, has failed to respond to FSA's request for confirmation that mortgage sales have been signed off by a third party compliance consultant and failed to provide a report on the progress of your past business review. In addition, he has failed to pay fees and levies of £1,129.46 owed to FSA, and an administrative fee of £250 for late submission of an RMAR.		http://www.fsa.gov.uk/pubs/final/countrywide_management.pdf
Redmond, David Connor (20 May 2009)	<i>See under Market Abuse</i>		
Rees, Nigel Alan (14 January 2009)	FSA notes that it has decided to refuse an application made by Hartley Greatbatch & Co for the approval of Nigel Alan Rees to perform the customer function (CF30) on the grounds that it was not satisfied that he is a fit and proper person to perform the controlled function applied for.		http://www.fsa.gov.uk/pubs/final/nigel_rees.pdf
Robins, Simon (5 June 2009)	FSA has prohibited Simon Robins, Compliance Director of Chase UK Corporation Limited (Chase), for failing to adequately supervise the operations of the firm. As a result of these failings the firm was used by third parties to obtain mortgage applications on a fraudulent basis. The order bans him from performing significant influence functions at any authorised financial firm. FSA found that Robins lacked competence and capability. He failed to ensure that: the firm took suitable advice to its customers; the firm had adequate systems and controls in place to enable its mortgage advisory business to be controlled effectively; and the business of the firm complied with regulatory requirements and standards.		http://www.fsa.gov.uk/pubs/final/simon_robins.pdf

Individuals – fitness and properness issues – bans/censures/refusals			
Firm/Individual	Short Summary	Fine	Links
Sanders, Stephen (29 July 2009, publicised 3 August 2009)	FSA has issued a prohibition order against Cornwall mortgage broker Stephen Sanders for submitting at least three mortgage applications on behalf of customers which he knew contained false and misleading income information. He also withheld information from a prospective employer relating to an investigation into him by his former employer which resulted in his suspension and failed to disclose to FSA that he was the subject of an ongoing disciplinary investigation into his conduct by his former employer when applying to FSA to perform a controlled function.		http://www.fsa.gov.uk/pubs/final/sanders_2907.pdf
Shanks, James Ian (18 December 2009, publicised 7 January 2010)	FSA has issued a prohibition order against James Ian Shanks, a former partner and mortgage adviser at Case Funding Centre for recklessly submitting false information to lenders. He was shown to have submitted mortgage applications from the firm's advisers containing income information that he failed to verify against the firm's records, despite being aware that such a check was possible [see mortgage firms section above for details on enforcement action against the firm].		http://www.fsa.gov.uk/pubs/final/james_shanks.pdf
Siddique, Waqas Ahmed/Siddique, Faraz Ahmed/Aston Sterling Insurance Services Limited (16 October 2009, publicised 2 December 2009)	FSA has issued prohibition orders against, Faraz Ahmed Siddique and Waqas Ahmed Siddique, for lying to cover up Waqas Siddique's criminal conviction. Waqas Siddique was charged with conspiracy to defraud in March 2007. One month later he applied for individual approval to perform controlled functions at the firm. On his FSA application, he signed a declaration that he had no previous criminal convictions and was not the subject of any current criminal proceedings. After Waqas Siddique's conviction in June 2008, Faraz Siddique, told FSA that his brother had resigned. He then applied to take over the controlled functions, but at no point did Faraz Siddique notify FSA of his brother's criminal conviction, despite being aware that this was the reason for his brother's resignation from the firm. The firm's permission has also been cancelled (it is noted that the firm had referred the matter to FSMT, but that the reference was withdrawn a week before the scheduled hearing in October 2009).		http://www.fsa.gov.uk/pubs/final/waqas_siddique.pdf http://www.fsa.gov.uk/pubs/final/faraz_siddique.pdf http://www.fsa.gov.uk/pubs/final/aston_sterling.pdf

Individuals – fitness and properness issues – bans/censures/refusals

Firm/Individual	Short Summary	Fine	Links
Thomas, Ayodele Olubunmi/Atom Associates Ltd t/a its own name and as “Divine Mortgages” (2 October 2009, publicised 12 October 2009)	FSA has issued a prohibition order against the individual with effect from 2 October 2009 on the grounds of fitness and properness. FSA said that he had knowingly applied for mortgages and loan advances for himself and his wife which were based on false and misleading income information. All but two of these applications were submitted through Atom, of which he was the sole director and shareholder, while he was acting as the sole approved person there, or using the name Divine Mortgages, a trading name for Atom. He also failed to comply with FSA’s statutory request for information and documents about the nature of his income which, he said, came largely from overseas.		http://www.fsa.gov.uk/pubs/final/final_notice_thomas.pdf
Tomlinson, Michael (9 January 2009)	FSA has prohibited this individual from performing any function in relation to any regulated activity carried on by any authorised or exempt person or exempt professional firm. He had been a director and former approved person at Acorn Holdings Limited until December 2005. In September 2007, he had been disqualified from acting as a director for a period of 11 years and, in the following June, was convicted of one count of trading with intent to defraud creditors and 21 counts of obtaining a money transfer by deception. FSA notes that the offences were committed when he had been employed in various positions within the financial services industry, including throughout the period that he had been an approved person at the firm.		http://www.fsa.gov.uk/pubs/final/michael_tomlinson.pdf
Ukala, Grace Nmadibechi Ada (19 August 2009)	FSA has issued a prohibition order against this individual and fined her for knowingly submitting false and misleading mortgage applications. She had been an FSA approved person and the director of Goldsparkle Consulting Services Limited, a small mortgage broker firm based in London. She submitted five mortgage applications for herself supported by false and misleading income and employment information. She also failed to disclose accurately her earnings from the firm to HMRC and misused funds that belonged to the firm to meet her personal mortgage repayments.	£70,000	http://www.fsa.gov.uk/pubs/final/grace_ukala.pdf
Vukelic, Milan (15 April 2009)	FSA has now published its Final Notice in respect of the above individual, which confirms the prohibition order against him. This follows FSA winning its case before FSMT - it agreed with FSA that his actions whilst CEO of Alternative Solutions lacked integrity. [See FSMT Decisions document for further details]		http://www.fsa.gov.uk/pubs/final/milan_vukelic.pdf

Individuals – fitness and properness issues – bans/censures/refusals

Firm/Individual	Short Summary	Fine	Links
Wright, Colin William (14 August 2009)	FSA has issued a prohibition order against this individual. He had previously operated as a sole trader, trading as Wright Financial Services. In November 2008, he had been convicted upon his own confession of a money laundering offence, having assisted his clients in laundering suspect monies totalling £6,667 being the proceeds of the sale and supply of controlled drugs. FSA notes that he had been sentenced to eight months imprisonment (suspended for 18 months), given a community order of 180 hours and a curfew for four months in January 2009.		http://www.fsa.gov.uk/pubs/final/colin_wright.pdf

Market abuse/market conduct			
Firm/Individual	Short Summary	Fine	Links
Aon Limited (9 January 2009)	The firm was fined for failing to take reasonable care to establish and maintain effective systems and controls to counter the risks of bribery and corruption associated with making payments to overseas firms and individuals. Between 14 January 2005 and 30 September 2007, it failed to properly assess the risks involved in its dealings with overseas firms and individuals who helped it win business and failed to implement effective controls to mitigate those risks. As a result, the firm made various suspicious payments, amounting to approximately US\$7 million, to a number of overseas firms and individuals. FSA notes that this is the largest financial crime related fine imposed by the FSA to date. FSA subsequently revised the Notice, clarifying the position with regard to payments made in Bahrain.	£5.25 million	http://www.fsa.gov.uk/pubs/final/aon.pdf
Boven, Erik (14 January 2009)	FSA fined Erik Boyen, a Belgium based private investor, for dealing in the shares of Monterrico Metals Plc, an AIM-quoted company, on the basis of inside information. The financial penalty includes a disgorgement of profit of £127,254 and an additional penalty of £49,000. This action follows similar fines imposed on Erik Boyen's brother, Filip Boyen, and on Richard Ralph, the former executive chairman of Monterrico, last year for dealing using inside information [see 2008 Notices]. This fine concludes the FSA investigation into timely dealing in Monterrico shares.	£176,254	http://www.fsa.gov.uk/pubs/final/erik_boyen.pdf
Clifton, Darwin Lewis/Byron Holdings Ltd (4 February 2009)	FFSA has fined the individual £59,500 and the firm £86,030 for dealing in the shares of Desire Petroleum plc (Desire) on the basis of inside information. Desire is an AIM-quoted company of which Mr Clifton is a non-executive director. Mr Clifton is also a director and one-third shareholder of the firm. Between 19 November 2007 and 8 February 2008 Mr Clifton directed the firm to buy shares in Desire on four separate occasions when he had inside information from his position as a non-executive director of Desire. FSA took into account the fact that his conduct was not deliberate and that he cooperated fully with the investigation. He settled at an early stage, thus qualifying for the 30% reduction in fine. FSA notes that, "whilst the firm had been pursuing the strategy of increasing its Desire shareholding over the long-term, the inside information was a material influence on the timing of its share purchases. It has not sold the shares".		http://www.fsa.gov.uk/pubs/final/darwin_clifton.pdf

Market abuse/market conduct

Firm/Individual	Short Summary	Fine	Links
<p>Entertainment Rights plc (19 January 2009, publicised 23 January 2009)</p>	<p>FSA has fined the firm for failing to disclose inside information to the market in a timely manner. In December 2006, the firm and its subsidiary, Gold Key Home, entered into an agreement to distribute DVDs in the USA. A variation to the agreement came into effect in July 2008 reducing the company's estimated profits for 2008 by US\$13.9m. The firm considered that there would be future opportunities to reduce the impact of the variation and as such delayed making an announcement. The variation was inside information and should have been disclosed to the market as soon as possible. In September 2008, the firm made an announcement to the market about the variation and its shares fell 55% on that day. The lack of timely disclosure led to a false market in the firm's shares for about 78 days. FSA notes that, in deciding the penalty for this case, it took into account that the firm had taken steps to strengthen its board, had admitted the breaches to FSA and co-operated fully with the investigation. It also qualified for the 30% discount under the early settlement scheme.</p>	<p>£245,000</p>	<p>http://www.fsa.gov.uk/pubs/final/ent_rights19jan09.pdf</p>
<p>Krilov-Harrison, Alexei (3 November 2009, publicised 17 November 2009)</p>	<p>FSA has fined this individual, who is a former stockbroker at Pacific Continental Securities UK Ltd, for using inside information about an AIM-traded company to encourage his clients to buy its shares. On 28 March 2007, he received inside information that Provexis Plc, an AIM-traded company, had signed a major contract with an international food company. The announcement was due to be released to the market in two days and the company's share price was expected to increase as a result. Over the course of the next 24 hours, he made three calls to clients in which he disclosed that Provexis was going to announce a major contract shortly which would make its share price "jump up substantially". On 30 March 2007, Provexis announced the new contract and its share price increased by 19.81% from the closing price on the previous day. FSA found that the individual's actions had been deliberate and been motivated by his desire to get a bonus. It is noted that, in determining the fine, FSA took into account the individual's financial circumstances and added that "there was a poor regulatory and compliance culture at PCS and that it appears unlikely that you were alone in engaging in market abuse". He also settled at an early stage of the investigation and received a 20% discount.</p>	<p>£24,000</p>	<p>http://www.fsa.gov.uk/pubs/final/krilovharrison.pdf</p>

Market abuse/market conduct			
Firm/Individual	Short Summary	Fine	Links
Lockwood, Mark (1 September 2009, publicised on 2 September 2009)	FSA has fined this individual, a former trading desk manager at an unnamed retail stockbroking firm, £20,000 for failing to observe proper standards of market conduct. He had failed to identify and act on a suspicious client order that allowed the firm to be used to facilitate insider dealing. As a result, the firm failed to identify the trade as suspicious and report it to FSA - the trading only came to light due to a report submitted by another broker. It is noted that the misconduct related to his dealings with a client (only identified as Client Y in the Final Notice) who sold shares in oil and gas exploration company Amerisur on 23 May 2007 - ahead of an announcement by the company of a placing of shares the next day. The Final Notice states that Client Y has been subject to separate FSA enforcement action for market abuse in relation to Amerisur shares.	£20,000	http://www.fsa.gov.uk/pubs/final/mark_lockwood.pdf
Montserret, Loic Albert Antoine (29 April 2009)	FSA has banned and fined Loic Albert Antoine Montserret, a former portfolio manager at BlueCrest Capital Management Limited (BlueCrest), for deliberately mismarking his positions in an attempt to avoid losing his job over losses he was making on his trading book. This is reported to be the first time FSA has both banned and fined an individual for mismarking trading positions. From November 2007 to May 2008, Mr Montserret was responsible for managing \$60 million of the capital in the BlueCrest Multi Strategy Credit Fund. During April 2008, changing market conditions resulted in a significant fall in the value of Mr Montserret's trading book which he knew would put his job at risk. To disguise the extent of his losses, Mr Montserret mismarked four equity index options by valuing them at nearly two to three times their actual market price. The mismarking went on for 10 days and resulted, at its maximum, in the fund being overvalued by \$8.6 million. FSA took into account that he admitted his misconduct at an early stage of its investigation. He also qualified for a 30% discount on the fine by agreeing to settle early. FSA makes no criticism of BlueCrest in the Final Notice.	£35,000	http://www.fsa.gov.uk/pubs/final/loic_montserret.pdf

Market abuse/market conduct			
Firm/Individual	Short Summary	Fine	Links
Morton, Darren/Parry, Christopher (6 October 2009, publicised 7 October 2009)	FSA has censured Darren Morton, a director and Christopher Parry, a vice president at Dresdner Kleinwort (now part of Commerzbank) for committing market abuse in relation to a new issue of Barclays' bonds. They were portfolio managers with Dresdner's Structured Investment Vehicle, K2 which had \$65 million of a Barclays' floating rate note issue in its portfolio. At 10:02 on 15 March 2007, Darren Morton was given inside information about a potential new issue of Barclays FRNs, on more favourable terms than the previous issue, which he shared with Christopher Parry. Acting on this inside information, they then agreed to sell K2's entire holding of the previous issue to two separate counterparties. Both counterparties to the trades were unaware of the proposed new issue of FRNs. At 15.16 on that day, a new issue of FRNs was announced and the counterparties made mark to market losses of \$66,000 and independently complained to K2 about the circumstances of the trades. FSA found that the individuals believed they were acting in accordance with market practice when selling the FRNs, but says it does not accept that such a belief is reasonable.		http://www.fsa.gov.uk/pubs/final/morton.pdf http://www.fsa.gov.uk/pubs/final/parry.pdf
Redmond, David Connor (20 May 2009)	FSA has issued a prohibition order against this individual for seeking to conceal his trading position. He had been employed as a trader on the freight desk of Morgan Stanley's commodities division in London where he traded both freight and oil. On 6 February 2008, in breach of Morgan Stanley policies and procedures, Redmond built up a substantial short position in WTI Futures on the ICE Futures (Europe) web-based trading platform. He then concealed the position overnight, exposing Morgan Stanley to the risk of incurring a significant loss. The next day, rather than informing the firm of his actions, he traded out of the position. He only admitted concealing the position when directly challenged by the firm. FSA took into account that the trading took place over two days rather than an extended period and that there was no risk to consumers. He expressed remorse, admitted his actions and co-operated with FSA's investigation. FSA has indicated that it is likely to agree to an application from David Connor Redmond to lift the ban after two years, provided there is no further evidence of misconduct. FSA makes no criticisms of Morgan Stanley or any other individuals at the firm in this case. Morgan Stanley promptly identified and investigated the issue and took swift action against David Connor Redmond. He was suspended by the firm on 7 February 2008 and subsequently dismissed. He ceased to be an approved person on 6 March 2008.		http://www.fsa.gov.uk/pubs/final/david_redmond.pdf

Market abuse/market conduct			
Firm/Individual	Short Summary	Fine	Links
Shroff, Nilesh (22 May 2009, publicised 26 May 2009)	FSA has issued a prohibition order against this individual, a former senior trader at Morgan Stanley, for deliberately disadvantaging his customers by 'pre-hedging' trades without their consent. It also fined him. FSA found that he had disadvantaged his clients on seven occasions between June and October 2007 by partially "pre-hedging" programme trades without the clients' consent. He did so in the knowledge that such pre-hedging was expressly prohibited by Morgan Stanley's policies and that the likely result would be to disadvantage Morgan Stanley's clients. Five of the clients were categorised as intermediate customers and his failure to treat them fairly thus caused Morgan Stanley to breach Principle 6. It is noted that, following its own investigation, Morgan Stanley dismissed him for gross misconduct in December 2007.	£140,000	http://www.fsa.gov.uk/pubs/final/Shroff.pdf
Wolfson Microelectronics plc (20 January 2009)	FSA has fined the firm for failing to reveal price sensitive information to the market as soon as possible. The delay led to a false market in Wolfson shares for 16 days. On 10 March 2008, a major customer informed the firm that it would not be required to supply parts for future editions of two of its products (the "negative news"). The firm estimated that this represented a loss of \$20 million or 8% of its forecast revenue for 2008. It also expected, based on other more positive information, that its 2008 forecast revenue would remain the same. The negative news was such that it constituted inside information and should have been disclosed as soon as possible. On 12 March, the firm discussed the matter with its investor relations advisors who wrongly recommended that there was no need to disclose the negative news. Consequently, the firm delayed making an announcement (it had not contacted its corporate brokers or legal advisors at this point). At its board meeting on 20 March, the firm reconsidered the earlier advice received. Following the meeting, it sought legal and corporate broking advice which recommended disclosing the negative news. On 27 March, the company announced the negative news and its share price closed at about 18% lower than the previous day. FSA notes that it took into account a number of mitigating factors, in particular that the company had sought advice. The firm co-operated fully with the FSA investigation, and received a 30% discount of the £200,000 fine for early settlement.	£140,000	http://www.fsa.gov.uk/pubs/final/Wolfson_20jan09.pdf

General threshold conditions (eg failure to return RMARs, lack of PII etc)

Firm/Individual	Short Summary	Fine	Links
Adegboye, Iseolorunpo James t/a Addison James & Co. (19 February 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit an Annual Questionnaire).		http://www.fsa.gov.uk/pubs/final/iseolorunpo_adegeboye.pdf
Apena, Abiodun t/a Abbey Mortgage Broker (23 September 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to pay FSA fees of ££1,368.08).		http://www.fsa.gov.uk/pubs/final/abiodun_apena.pdf
Bansal Estates and Insurance Agents (1 June 2009)	FSA has cancelled the firm's Part IV permission. In January and April, FSA had issued two Supervisory Notices by which it had (a) varied the firm's Part IV permission by removing all regulated activities with immediate effect and (b) confirmed the variation of the firm's permission effected by the First Supervisory Notice. FSA notes that it did not have PII in place and had failed to submit RMARs.		http://www.fsa.gov.uk/pubs/final/Bansal.pdf http://www.fsa.gov.uk/pubs/final/Bansal_2nd.pdf http://www.fsa.gov.uk/pubs/final/Bansal_1st.pdf
Blackwood, Richard t/a Meridian Loan Consultants (30 July 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to pay FSA fees of £1,078.35).		http://www.fsa.gov.uk/pubs/final/meridian_0730.pdf
Bower, Winston Neville t/a Bower and Bower (19 February 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to comply with a 2006 FOS award).		http://www.fsa.gov.uk/pubs/final/winston_bower.pdf
Capital Enterprises (Yorkshire) Limited (23 September 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to pay FSA fees of £1,113.84).		http://www.fsa.gov.uk/pubs/final/capital_enterprises.pdf
Carr, Peter John (19 February 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/peter_john_carr.pdf
Cavendish Financial Services Limited (12 August 2009)	FSA has cancelled the firm's Part IV permission on account of its failure to satisfy threshold conditions (specifically it failed to pay fees of £1,479.92 owed to FSA).		http://www.fsa.gov.uk/pubs/final/cavendish_120809.pdf

General threshold conditions (eg failure to return RMARs, lack of PII etc)

Firm/Individual	Short Summary	Fine	Links
Cross Country Credit (Europe) Limited (16 January 2009)	The firm's Part IV permission has been cancelled. FSA notes that the firm has ceased trading and has failed to respond to repeated requests to submit to FSA an application to cancel its permission.		http://www.fsa.gov.uk/pubs/final/cross_country.pdf
Fitzgerald Mortgage Services Ltd (9 January 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/fitzgerald.pdf
Eastbourne Financial Services Limited (In Liquidation) (2 March 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/eastbourne.pdf
East Sussex Motor Centre (17 June 2009)	FSA has cancelled the Part IV permission for this firm following a Supervisory Notice issued in April 2009 which removed all regulated activity. The firm had failed to satisfy FSA that it maintained current PII, despite having had reasonable opportunities to do so.		http://www.fsa.gov.uk/pubs/final/east_sussex.pdf http://www.fsa.gov.uk/pubs/final/esmc.pdf
Easy Car Credit & Rentals Limited (3 March 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/easy_car.pdf
Financial Advantage Limited (8 September 2009)	FSA has cancelled the firm's Part IV permission on account of its failure to satisfy threshold conditions (specifically it has failed to pay fees of £1,692.57 owed to FSA).		http://www.fsa.gov.uk/pubs/final/fin_adv.pdf
Financial Associate (TFA) Limited, The (20 May 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/financial_assoc.pdf
Finance Direct (UK) Limited (In Liquidation) (2 June 2009)	FSA has cancelled the firm's Part IV permission on account of its failure to satisfy threshold conditions (specifically its "resources are not adequate in relation to the regulated activities it has permission to carry on".)		http://www.fsa.gov.uk/pubs/final/finance_direct.pdf
Fleet Worldwide Shipping Limited (9 March 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to notify FSA of a change in the address of its principal place of business). FSA notes that it has no current, valid contact information for the firm.		http://www.fsa.gov.uk/pubs/final/fleet_shipping.pdf

General threshold conditions (eg failure to return RMARs, lack of PII etc)

Firm/Individual	Short Summary	Fine	Links
Graeme Watson Financial Services LLP (22 July 2009)	FSA has cancelled the Part IV permission of this firm, noting that it has eased trading and has failed to respond to repeated requests by FSA to submit a cancellation application to FSA.		http://www.fsa.gov.uk/pubs/final/graeme_watson0709.pdf
Grey, Richard Francis t/a Greygoose Mortgages Services (20 May 2009)	FSA has cancelled the firm's Part IV permission on account of its failure to satisfy threshold conditions (specifically it failed to pay fees of £1,352.38 owed to FSA).		http://www.fsa.gov.uk/pubs/final/greygoose.pdf
Hales, Daren Mitchell t/a Mitchell and Company (19 February 2009)	The firm's Part IV permission has been cancelled, noting that it is authorised to cancel an authorised person's permission where such a person has failed, during a period of at least 12 months, to conduct any regulated activity for which he has Part IV permission.		http://www.fsa.gov.uk/pubs/final/daren_hales.pdf
Irvine North Credit Union Limited (19 February 2009)	By this Notice, FSA has removed the firm's regulated activity of accepting deposits with immediate effect and has varied its permissions so that it must not make new loans, or make further advances in relation to, or otherwise vary the terms of, any existing loans; redeem any member's shares; repay any deposits; effect any share to loan transfers, or without FSA's written consent. make any payment, or otherwise dispose of, deal with or diminish the value of any of its assets, including the payment of expenses incurred in the ordinary course of the firm's business. The firm had failed to comply with various requirements imposed by FSA. It was concluded that the firm has not been conducting its business in compliance with proper standards and has failed to cooperate with FSA.		http://www.fsa.gov.uk/pubs/final/irvine_north.pdf
Jordan, John Christopher /John Jordan Complete Mortgage Services Limited (12 October 2009)	The individual had failed to comply with an award made by FOS against his former sole trader firm, John Jordan Independent Financial Services, and FSA has withdrawn his approval in respect of John Jordan Complete Mortgage Services Limited. Consequently, that firm's Part IV permission has been cancelled because, as a result of the withdrawal of approval of its only approved person, John Christopher Jordan, it does not have an approved person in relation to the regulated activities for which it has Part IV permission.		http://www.fsa.gov.uk/pubs/final/john_christopher_jordan.pdf http://www.fsa.gov.uk/pubs/final/complete_mortgages.pdf
Joy Obika Sydney t/a Joy Sydney Finance (20 April 2009)	FSA has cancelled Joy Obika Sydney's Part IV permissions on account of her failure to satisfy threshold conditions (specifically she failed to pay fees of £1,094.17 owed to FSA).		http://www.fsa.gov.uk/pubs/final/joy_sydney_finance.pdf

General threshold conditions (eg failure to return RMARs, lack of PII etc)

Firm/Individual	Short Summary	Fine	Links
Kearney, Kim t/a Pen Park Motor Group (9 January 2009)	The firm's Part IV permission has been cancelled. FSA notes that the firm has negative capital resources of £1,160,188 and has failed to adequately explain or verify the information provided and that it not been open and cooperative in its dealings, by failing to respond satisfactorily, or at all, to FSA communications requesting information concerning the financial information provided to FSA in RMARs.		http://www.fsa.gov.uk/pubs/final/pen_park.pdf
Iqbal Saleem t/a ISN Financial Services (2 September 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit RMARs).		http://www.fsa.gov.uk/pubs/final/iqbal_saleem.pdf
Leitch, Marcus t/a The Trading House (6 April 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/tv_motorcycles.pdf
Michael Paul Dewdney t/a Michael Dewdney Associates (2 September 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to pay FSA fees of £1,096.60).		http://www.fsa.gov.uk/pubs/final/dewdney.pdf
Miller, Graeme (17 February 2009)	FSA has cancelled Graeme Miller's Part IV permissions on account of his failure to satisfy threshold conditions (specifically he has failed to pay fees of £1,066.30 owed to FSA).		http://www.fsa.gov.uk/pubs/final/graeme_miller.pdf
Mortgage Quest 2000 Limited (20 May 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/mortgage_quest.pdf
Mortgage Shop (North West), The (20 May 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/mortgage_shop.pdf
Mortgages Plus (UK) Limited (3 September 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to notify FSA of a change in the address of its principal place of business). FSA notes that it has no current, valid contact information for the firm.		http://www.fsa.gov.uk/pubs/final/mortgages_plus.pdf
Murray's Financial Services Limited (20 May 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/murrays.pdf

General threshold conditions (eg failure to return RMARs, lack of PII etc)

Firm/Individual	Short Summary	Fine	Links
Lofts, Alan John Lofts t/a Personal Financial Services (18 June 2009)	FSA has cancelled the Part IV permission of the firm following a First Supervisory Notice in April 2009 which removed all regulated activities from its permissions. FSA notes that the firm did not have compliant PII and had also failed to submit RMARs.		http://www.fsa.gov.uk/pubs/final/alan_lofts.pdf http://www.fsa.gov.uk/pubs/final/personal_fin_services.pdf
Merali, Shani (8 December 2009)	Part IV permission has been cancelled on account of the individual's failure to satisfy threshold conditions (specifically she failed to notify FSA of a change in the address of her principal place of business). FSA notes that it has no current, valid contact information.		http://www.fsa.gov.uk/pubs/final/shani_merali.pdf
Money For Life Ltd (6 July 2009)	FSA has cancelled this firm's Part IV permission. It has ceased trading and vacated its principal place of business and failed to notify FSA of those matters as well as failing to notify FSA of any current contact information.		http://www.fsa.gov.uk/pubs/final/mfl.pdf
Penwood Properties Ltd (28 October 2009)	FSA has cancelled the firm's Part IV permission on account of its failure to satisfy threshold conditions (specifically it had failed to rectify a capital resources deficit).		http://www.fsa.gov.uk/pubs/final/penwood.pdf
Porchester Finance Ltd (7 September 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to notify FSA of a change in the address of its principal place of business). FSA notes that it has no current, valid contact information for the firm.		http://www.fsa.gov.uk/pubs/final/porchester_07sep09.pdf
Razzaq, Abdul t/a A Razzaq Insurance Brokers (9 June 2009)	FSA has cancelled the firm's Part IV permission on account of its failure to satisfy threshold conditions (specifically it has failed to pay fees of £4,950.56 owed to FSA).		http://www.fsa.gov.uk/pubs/final/abdul_razzaq.pdf
Red Carpet Estates (28 October 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit RMARs promptly, failed to submit accurate financial information in its RMARs and failed to comply promptly or fully with FSA requests for additional supporting material).		http://www.fsa.gov.uk/pubs/final/red_carpet.pdf
Saltire Underwriting Agency Limited (20 May 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it has failed to respond fully or at all to repeated requests from FSA for information regarding the management of Saltire's client money account).		http://www.fsa.gov.uk/pubs/final/saltire_underwriting.pdf
Sandie Gillam t/a S G Mortgages (12 August 2009)	FSA has cancelled the firm's Part IV permission on the grounds that it has not conducted any regulated activity since June 2007 and has provided no specific plans to begin such activities in the near future.		http://www.fsa.gov.uk/pubs/final/sandie_gillam.pdf

General threshold conditions (eg failure to return RMARs, lack of PII etc)

Firm/Individual	Short Summary	Fine	Links
Skyline Insurance Brokers Limited (8 September 2009)	FSA has cancelled the firm's Part IV permission on account of its failure to satisfy threshold conditions (specifically it has failed to pay fees of £761.48 owed to FSA).		http://www.fsa.gov.uk/pubs/final/skyline_090907.pdf
Superquote.com Ltd (11 March 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit RMARs promptly).		http://www.fsa.gov.uk/pubs/final/superquote.pdf
Talking Mortgage Solutions Limited (16 September 2009)	FSA has cancelled the firm's Part IV permission on account of its failure to satisfy threshold conditions (specifically it has failed to maintain capital resources equal to or in excess of its relevant capital resources requirement).		http://www.fsa.gov.uk/pubs/final/talking_mortgage.pdf
Thames Valley Motorcycles Ltd (6 April 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/tv_motorcycles.pdf
Veritas Wealth Management Ltd (9 January 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/veritas.pdf
White Square Investments Limited (in Administration) (3 September 2009)	FSA has cancelled the Part IV permission of the firm, noting that its resources are not adequate in relation to the regulated activities it has permission to carry on. Specifically, financial information provided by the firm for the period ended 31 July 2008 demonstrated a capital resources deficit of £106,000 at 31 July 2008. It later calculated the deficit to be £218,000 as at 30 November 2008. The firm failed to rectify the deficit despite being given adequate opportunity to do so.		http://www.fsa.gov.uk/pubs/final/white_square.pdf
Windmill Finance Services Limited (20 May 2009)	The firm's Part IV permission has been cancelled on account of its failure to satisfy threshold conditions (specifically it failed to submit a RMAR).		http://www.fsa.gov.uk/pubs/final/windmill_finance.pdf

GENERAL STATEMENTS ON FIRMS/INDIVIDUALS

Firm/Individual	Short Summary	Links
Arc Capital and Income plc (26 October 2009)	<p>FSA has announced that Arc Capital and Income plc (ACI) is going into administration. The firm focused on delivering structured investment products to retail investors, including Lehman-backed structured products. This follows an extensive FSA review of structured products and subsequent discussions with the firms. FSA's review looked at the UK structured products market, including those backed by Lehman, and as part of this review examined the firm's systems and controls and marketing literature. As a result, the FSA asked the firm to assess its financial position in relation to potential claims by investors with Lehman-backed structured products. FSA notes that administrators will shortly contact all customers who bought products through this firm, setting out what they need to do next and refers customers to its Moneymadeclear website for further information.</p>	<p>Lehman-backed structured products - update</p>
Equitable Life (15 January 2009)	<p>Full text:</p> <p>The Government has published a detailed paper setting out its response to the Parliamentary Ombudsman's report into the regulation of Equitable Life. The Government's paper includes comments on the findings made in relation to the period when the FSA was regulating the society as HM Treasury's agent. The FSA agrees with those comments.</p> <p>The Ombudsman says that her findings should not be taken as being based on a view that the FSA was acting in bad faith, nor that they suggest that FSA gave inadequate attention to, or put insufficient effort into, the supervision of Equitable Life. In addition, the supervisory regime for the life insurance industry has changed dramatically since the period covered in the Ombudsman's report.</p> <p>Nevertheless, the FSA acknowledges the Ombudsman's extensive review of the supervision of Equitable in the years 1999 - 2001 and, for the reasons set out in the Government's paper, accepts her findings of maladministration in respect of the FSA. Accordingly, the FSA accepts the recommendation directed to the FSA and we wish to place on record our apologies for those failures identified in the Ombudsman's report which are accepted in the Government's response</p>	

Firm/Individual	Short Summary	Links
Exetra (UK) Limited/Sharma, Vijay Kumar (10 September 2009)	<p>Mortgage broker fined £6,000 by court in FSA's first criminal prosecution for change of control failures</p> <p>This press release notes that Vijay Kumar Sharma, sole director of mortgage broker Exetra (UK) Limited, pleaded guilty yesterday at City of Westminster Magistrates Court to charges of acquiring a controlling interest in the firm without giving FSA prior notice of the acquisition and of making false or misleading statements to FSA. He was also ordered to make a contribution towards FSA's costs. The link also includes a witness statement from FSA's director of permissions, reporting and decisions, Graeme Ashley-Fenn, about the importance of FSA rules on change in control at regulated firms which was heard at court. It is noted that this is the first criminal prosecution brought by FSA for failing to notify the regulator about a change in control at a regulated firm.</p>	http://www.fsa.gov.uk/pages/Library/Communication/PR/2009/120.shtml
The Freedom SIPP Limited (14 October 2009)	<p>FSA reports that The Freedom SIPP Limited, a self-invested personal pension operator has today been wound up in the High Court on a petition issued by HMRC for non payment of tax. FSA sets out the action it took against the firm this summer and notes that it will continue to liaise with HMRC and the liquidator. Members will still be able to request a transfer of their investments to another SIPP scheme</p>	Update on The Freedom SIPP Limited
Keydata Investment Services Ltd (8 June 2009)	<p>FSA notes that Keydata Investment Services Ltd has been placed into administration on the grounds that it is insolvent. Following an application to the Royal Courts of Justice by FSA, administrators from PwC have been appointed. Interested parties have been referred to PwC for further information .</p>	Keydata Investment Services Ltd

Firm/Individual	Short Summary	Links
<p>Keydata Investment Services Ltd (30 June 2009)</p> <p>(20 November 2009)</p>	<p>FSA notes that certain interest payments and certain redemption rights have been suspended and that FSA is working closely with the administrators to reach a solution for investors as fast as possible. It is also in discussions with SFO about the potentially missing assets underlying some of these products. It also notes that if Keydata has caused customers to suffer a financial loss and cannot meet its liabilities, FSCS may be able to help. The press release goes on to detail which products are affected and who investors should contact.</p> <p>FSA notes that the Luxembourg financial services regulator, the Commission de Surveillance du Secteur Financier (the "CSSF") has applied to the Luxembourg court for Eric Collard of KPMG ADVISORY s.a.r.l to be appointed as administrateur provisoire (provisional administrator) of Lifemark S.A. Lifemark issued a series of bonds which were used to underpin a number of retail investment products provided and administered by Keydata, now in administration, to UK consumers. The item includes a link to a statement by CSSF re the KPMG appointment and it is noted that the regulators are "working together in close cooperation".</p>	<p>Update on Keydata Investment Services Ltd</p> <p>Further update on Keydata Investment Services Limited</p>
<p>King, Peter Andrew/ McFall, Michael/ Rimmington, Andrew (17 June 2009)</p>	<p>Andrew King, an FD, and Michael McFall and Andrew Rimmington, both lawyers, have appeared at City of Westminster Magistrates' Court charged with 8 counts of insider dealing, contrary to s52 of the Criminal Justice Act 1993. Andrew King is charged with disclosing inside information relating to the proposed takeover of Neutec Pharma plc (the "inside information") to Michael McFall, having had that inside information by virtue of being Neutec Pharma plc's FD, and disclosing it to Michael McFall other than in the proper performance of his job. Michael McFall is charged with: disclosing the inside information to Andrew Rimmington; and on three separate occasions, acquiring a total of 3955 shares in Neutec Pharma plc on the basis of the inside information. Andrew Rimmington is charged with: on three separate occasions, acquiring a total of 6961 shares in Neutec Pharma plc on the basis of the inside information. Michael McFall and Andrew Rimmington are charged jointly with: acquiring 3012 shares in Neutec Pharma plc on the basis of the inside information. Proceedings have been adjourned until 28 July 2009 when the Magistrates will consider committal to the Crown Court for trial. All three accused were granted unconditional bail.</p>	<p>Finance director and two lawyers charged with insider dealing</p>

Firm/Individual	Short Summary	Links
King, Peter Andrew/ McFall, Michael/ Rimmington, Andrew (23 September 2009)	<p>Finance director and two lawyers committed to the Crown Court to face insider dealing charges</p> <p>Full text of statement follows</p> <p>Peter Andrew King, a finance director, and Michael McFall and Andrew Rimmington, both lawyers, were today committed to stand trial at Southwark Crown Court on 8 counts of insider dealing, contrary to section 52 of the Criminal Justice Act 1993.</p> <p>Following a contested hearing which took place at Westminster Magistrates Court today, District Judge Miss Tubbs remanded all three defendants on unconditional bail to appear at Southwark Crown Court for a plea and case management hearing on 28 October 2009.</p>	
McQuoid, Christopher/ Melbourne, James William (27 March 2009)	<p>Christopher McQuoid, a solicitor, and his father-in-law, James William Melbourne were today found guilty of insider dealing. The case was heard at Southwark Crown Court and is the first insider dealing criminal prosecution brought FSA. The jury found that Christopher McQuoid had passed inside information to his father-in-law and that James William Melbourne had traded, and made a profit, using the information. FSA has also obtained a court order freezing the profits made from the trade, which Mr McQuoid and his father-in-law split equally between them. Christopher McQuoid was the general counsel at TTP Communications (TTP) from August 2000 to March 2007. In May 2006, he was told in confidence that Motorola was planning to take over the company. Two days before the takeover was made public, his father-in-law, Mr Melbourne, bought 153,824 TTP shares at 13p a share. Mr Melbourne had not dealt in any shares recently or ever bought TTP shares. On 1 June, the takeover was announced at an agreed share price of 45p. As a result of the price increase, Mr Melbourne made a profit of £48,919.20. Three months later, he gave Mr McQuoid a cheque for £24,459.60 exactly half of the profit made from the TTP shares trade. The suspicious trading was reported to FSA as required under its rules. The sentencing hearing for will take place on Monday, 30 March. It is noted that FSA is currently prosecuting three other insider dealing criminal cases.</p>	Solicitor and his father-in-law found guilty in FSA insider dealing case

Firm/Individual	Short Summary	Links
NDF Administration Ltd/Defined Returns Ltd (14 October 2009)	<p>FSA has announced that NDF Administration Limited and Defined Returns Limited are going into administration. These firms offered a variety of retail products, including Lehman-backed structured products. Investors who had invested in Lehman-backed products with either of the firms may be entitled to compensation from FSCS, which has produced a separate press release, and the firms' joint administrators, Andrew Hosking and Martin Ellis of Grant Thornton UK LLP, will shortly contact all customers who bought products through these firms, setting out what they need to do next. FSA is to publish the full findings of its review into structured products "later this month".</p>	Lehman-backed structured products - update
Presbyterian Mutual Society (9 April 2009)	<p>FSA has issued a statement in which it says it has investigated the activities of Presbyterian Mutual Society, now in administration, to consider if it was conducting regulated activities without the necessary authorisation or exemption and concluded that it was, but on the basis of the information currently available to it, and applying the criteria in the Code for Crown Prosecutors, decided that it would not be right to take a case against any of those involved in running the PMS. It adds that FSA remains in touch with the administrator and, if further information comes to light relating to the issues FSA has investigated, it will look into it. (9/04/09)</p>	Presbyterian Mutual Society
Uberoi, Matthew and Neel (4 November 2009) (11 December 2009)	<p>FSA notes that the individuals have been found guilty of 12 counts of insider dealing at Southwark Crown Court. Neel Uberoi made about £110,000 profit based on inside information provided by his son, Matthew Uberoi, who had worked as an intern at a corporate broking firm working on takeovers and other price sensitive deals. He passed inside information to his father in relation to deals in three companies. His father then purchased shares in those companies and made substantial profits. The sentencing and confiscation hearing will take place on 10 December 2009.</p> <p>Matthew Uberoi and his father, Neel Uberoi, were given sentences of 12 and 24 months respectively for insider dealing. The court adjourned the case until 14 December to consider the appropriate level of confiscation and costs. The judge certified that the benefit obtained by Neel Uberoi from his insider dealing was the full worth of the shares purchased, £288,050.05.</p>	Former corporate broker intern and father found guilty of insider dealing Corporate broker intern and his father receive 12 and 24 month prison sentences respectively for insider dealing
Winterflood Securities Limited, Stephen Sotiriou & Jason Robins (March/April 2009)	<p><i>See FSMT Decisions doc for further details</i></p>	

Non-disciplinary Final Notices

Firm/Individual	Short Summary	Links
<p>Friends Provident/Resolution (23 October 2009)</p>	<p>FSA has published this Final Notice setting out a change of control under Part XII FSMA 2000. The Notices set out that the transaction entails the acquisition of control of the listed Target Firms by the listed Controllers. The effect of the Scheme of Arrangement will be to cancel the entire existing issued share capital of Friends Provident Group PLC (a parent undertaking of each of the Target Firms) in consideration for which the shareholders will receive a combination of cash and shares in Resolution Limited. FSA has approved the Controllers' acquisition of control of the Target Firms, but with conditions that no changes are made to the quantity and quality of capital resources in or to the overall financial condition of certain regulated entities of Friends Provident Group. The Controllers chose not to exercise their rights under s387 FSMA or otherwise to make representations to FSA as to the imposition of conditions, or under s189(8) FSMA or otherwise to refer the matter to FSMT and have accepted the conditions.</p>	<p>http://www.fsa.gov.uk/pubs/final/friends_provident.pdf</p>