
FINAL NOTICE

To: **Ashkan Zahedian**
IRN: **AXZ01268**

To: **Vast Cars Limited** (as an interested party)
FRN: **669178**

Dated: **14 November 2022**

ACTION

1. For the reasons listed in this Final Notice, the Authority has decided to:
 - (a) withdraw the approval granted to Ashkan Zahedian (Mr Zahedian) to perform the SMF29 (Limited Scope) senior management function at the Firm, pursuant to section 63 of the Act; and
 - (b) make an order, pursuant to section 56 of the Act, prohibiting Mr Zahedian from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm.
2. The Authority gave Mr Zahedian the Decision Notice, which notified Mr Zahedian of the above action to be taken against him.
3. Mr Zahedian has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was given to him.
4. Accordingly, the Authority hereby withdraws the approval granted to Mr Zahedian and makes a prohibition order in respect of Mr Zahedian. Both take effect from the date of the Final Notice.

SUMMARY OF REASONS

5. As set out in more detail in the facts and matters described below, Mr Zahedian was convicted of wounding with intent to do grievous bodily harm and of possession of a machete. He committed these offences whilst he was an approved person.
6. Given the nature and circumstances of his offending, it appears to the Authority that Mr Zahedian is not a fit and proper person to perform any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm. His convictions for violent offences demonstrate a clear and serious lack of integrity and reputation such that he is not fit and proper to perform regulated activities.
7. In concluding that it is appropriate to take the actions described in paragraph 1 above, the Authority has had regard to all relevant matters, including the seriousness of the offences for which Mr Zahedian has been convicted and the surrounding circumstances, his lack of fitness and propriety and the severity of the risk he poses to confidence in the financial system, insofar as public confidence in financial services and people operating within it is concerned. In the Authority's view, there is a severe risk of an erosion of public confidence if those who are convicted of violent offences are permitted to continue working in the financial services industry. The Authority therefore considers it is appropriate to withdraw Mr Zahedian's approval to perform the SMF29 senior management function at the Firm, and to impose a prohibition order against him in the terms set out in paragraph 1 above to advance the Authority's integrity objective (section 1D of the Act).

DEFINITIONS

8. The definitions below are used in this Final Notice (and in the Annex):

"the Act" means the Financial Services and Markets Act 2000;

"the Authority" means the Financial Conduct Authority;

"the Decision Notice" means the decision notice given to Mr Zahedian dated 4 October 2022;

"DEPP" means the Authority's Decision Procedure and Penalties manual;

"EG" means the Enforcement Guide;

"the Firm" means Vast Cars Limited;

"FIT" means the Fit and Proper Test for Employees and Senior Personnel, part of the Handbook;

"the Handbook" means the Authority's Handbook of Rules and Guidance;

"the RDC" means the Regulatory Decisions Committee of the Authority (see further under Procedural Matters below);

"the Tribunal" means the Upper Tribunal (Tax and Chancery Chamber); and

"the Warning Notice" means the warning notice given to Ashkan Zahedian dated 18 August 2022.

RELEVANT STATUTORY PROVISIONS

9. The statutory and regulatory provisions relevant to this Final Notice are set out in the Annex.

FACTS AND MATTERS

10. The Firm is an authorised consumer credit firm with permissions to carry on credit broking, debt adjusting and debt-counselling. Mr Zahedian is the sole director of the Firm.
11. Mr Zahedian was appointed director of the Firm on 29 January 2013. From 16 March 2015 to 8 December 2019, he was approved to perform the CF8 (Apportionment and Oversight) controlled function at the Firm, and from 9 December 2019, he was approved to perform the SMF29 (Limited Scope) senior management function at the Firm.
12. Whilst an approved person at the Firm, Mr Zahedian was involved in an altercation at a bar on the evening of 18 February 2020. During this altercation Mr Zahedian used a machete to assault a security guard. He caused a wound to the security guard and intended to cause him serious bodily harm.
13. On 4 May 2020, Mr Zahedian pleaded guilty and was convicted at the Lewes Crown Court of:
 - (a) one count of wounding with intent, contrary to section 18 of the Offences Against the Person Act 1861 (wounding with intent to do grievous bodily harm); and
 - (b) 1 count of possession of knife/blade/sharp pointed article in a public place, namely a machete, contrary to section 139(1) and (6) of the Criminal Justice Act 1988.
14. Mr Zahedian was sentenced on 4 May 2020 to a term of three years' imprisonment, notwithstanding that the Judge accepted that Mr Zahedian's actions were out of character and thought they would never happen again. In his sentencing remarks the Judge said that 'the behaviour of any other person in no way excuses what you did because you chose, and it was free choice, to get that weapon from your car, you escalated things, you lost control, and you caused a nasty wound. Whatever your earlier intention, at the time you intended that wound, you intended to cause him really serious harm'. The Judge also noted that Mr Zahedian had been genuinely shocked, ashamed and remorseful as to what had happened.
15. Mr Zahedian's conduct that resulted in his convictions was reported in the media. These reports are readily identifiable upon an internet search of his name.

FAILINGS

16. Given the nature and circumstances of Mr Zahedian's violent offences, this demonstrates a clear and serious lack of integrity. Mr Zahedian caused grievous bodily harm with intent. His conduct amounted to serious criminal offences and he demonstrated a deliberate and criminal disregard for appropriate standards of behaviour. Mr Zahedian was sentenced to three years in prison for the offences.
17. The Authority further considers that the nature of Mr Zahedian's offences and, separately, of the associated publicity following his conviction, is such that he does not have the

requisite reputation to perform functions in relation to regulated activities and is likely to damage the reputation of any regulated firm at which he is required to perform such functions. Further, he poses a serious risk of damage to the reputation of, and public confidence in, the financial services sector.

18. For the reasons set out above, the Authority considers that Mr Zahedian is not a fit and proper person to perform any function in relation to any regulated activity carried on by an authorised person, exempt person or exempt professional firm.

SANCTION

19. The Authority has had regard to all relevant matters, including the seriousness of the offences for which Mr Zahedian has been convicted and the surrounding circumstances; the passage of time; the relevance of the offences to Mr Zahedian's role; the sentencing remarks made by the Judge at the Lewes Crown Court; and the severity of the risk he poses to confidence in the financial system, insofar as public confidence in financial services and people operating within it is concerned. Mr Zahedian's lack of integrity and requisite reputation is such that he poses a severe risk to public confidence in the financial system. In the Authority's view, there is a severe risk of an erosion of public confidence if those who are convicted of violent offences are permitted to continue working in the financial services industry.
20. The Authority therefore considers it is appropriate to withdraw Mr Zahedian's approval to perform the SMF29 senior management function at the Firm, and to impose a prohibition order against him in the terms set out in paragraph 1 above to advance the Authority's integrity objective (section 1D of the Act).

PROCEDURAL MATTERS

21. This Final Notice is given to Mr Zahedian in accordance with section 390(1) of the Act.

Decision maker

22. The decision which gave rise to the obligation to give this Final Notice was made by the RDC. The RDC is a committee of the Authority which takes certain decisions on behalf of the Authority. The members of the RDC are separate to the Authority staff involved in conducting investigations and recommending action against firms and individuals. Further information about the RDC can be found on the Authority's website:

<https://www.fca.org.uk/about/committees/regulatory-decisions-committee-rdc>

Interested Party Rights

23. This Notice is also being given to the Firm as an interested party in the withdrawal of Mr Zahedian's approval.

Publicity

24. Sections 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this Final Notice relates. Under those provisions, the Authority must publish such information about the matter to which this Final Notice relates as the

Authority considers appropriate. The information may be published in such manner as the Authority considers appropriate. However, the Authority may not publish information if such publication would in the opinion of the Authority, be unfair to Mr Zahedian or prejudicial to the interests of the consumers or detrimental to the stability of the UK financial system.

25. The Authority intends to publish this Final Notice and such information about the matter to which this Final Notice relates as it considers appropriate.

Contact

26. For more information concerning this matter generally, Mr Zahedian should contact Mike Linton at the Authority (direct line: 020 7066 2595).

Anna Couzens
Enforcement and Market Oversight

ANNEX

RELEVANT STATUTORY PROVISIONS

1. The Authority's operational objectives, set out in section 1B(3) of the Act, include the integrity objective of protecting and enhancing the integrity of the UK financial system (section 1D of the Act).
2. Section 56(1) of the Act provides:

"The [Authority] may make a prohibition order if it appears to it that an individual is not a fit and proper person to perform functions in relation to a regulated activity carried on by:

- (a) an authorised person,
- (b) a person who is an exempt person in relation to that activity, or
- (c) a person to whom, as a result of Part 20, the general prohibition does not apply in relation to that activity."

Such an order may relate to a specified regulated activity, any regulated activity falling within a specified description, or all regulated activities.

3. Section 63(1) of the Act provides that the Authority may withdraw an approval under section 59 given by the Authority in relation to the performance by a person of a function if the Authority considers that the person is not a fit and proper person to perform the function.

RELEVANT REGULATORY PROVISIONS

4. In exercising its power to make a prohibition order, and to withdraw an approved person's approval, the Authority must have regard to guidance published in the Handbook and in regulatory guides, such as the Enforcement Guide ("EG"). The relevant main considerations in relation to the action specified above are set out below.

The Enforcement Guide

5. The Authority's policy in relation to exercising its power to issue a prohibition order is set out in EG.
6. EG 9.1 explains the purpose of prohibition orders and the Authority's power to withdraw approval from an approved person in relation to the Authority's regulatory objectives.
7. EG 9.2 sets out the Authority's general policy on making prohibition orders and withdrawing the approvals of an approved person. In particular—
 - (a) EG 9.2.1 states that the Authority will consider all relevant circumstances, including whether enforcement action has been taken against the individual by other enforcement agencies, in deciding whether to make a prohibition order and/or, in the case of an approved person, withdraw its approval;

- (b) EG 9.2.2 states that the Authority has the power to make a range of prohibition orders depending on the circumstances of each case; and
 - (c) EG 9.2.3 states that the scope of a prohibition order will depend on, amongst other things, the reasons why the individual is not fit and proper and the severity of risk he poses to consumers or the market generally.
- 8. EG 9.3.1 states that when the Authority has concerns about the fitness and propriety of an approved person, it may consider whether it should prohibit that person from performing functions in relation to regulated activities, withdraw its approval, or both.
- 9. EG 9.3.2 provides that, when the Authority decides whether to make a prohibition order against an approved person and/or withdraw their approval, the Authority will consider all the relevant circumstances of the case. These may include, but are not limited to:
 - a. whether the individual is fit and proper to perform functions in relation to regulated activities (noting the criteria set out in FIT 2.1, 2.2, and 2.3);
 - b. the relevance and materiality of any matters indicating unfitness;
 - c. the length of time since the occurrence of any matters indicating unfitness;
 - d. the particular controlled function the approved person is (or was) performing, the nature and activities of the firm concerned and the markets in which he operates; and
 - e. the severity of the risk which the individual poses to consumers and to confidence in the financial system.

Fit and Proper Test for Approved Persons and specified significant-harm functions

- 10. The Authority has issued guidance on the fitness and propriety of individuals in FIT.
- 11. FIT 1.3.1BG(1) states that the most important considerations when assessing the fitness and propriety of a person to perform a controlled function include that person's honesty, integrity and reputation.
- 12. FIT 2.1.1G states that in determining a person's honesty, integrity and reputation, the Authority will have regard to all relevant matters including, but not limited to, those set out in FIT 2.1.3G. It notes, amongst other things and by way of example, that:

"... conviction for a criminal offence will not automatically mean an application will be rejected. The [Authority] treats each candidate's application on a case-by-case basis, taking into account the seriousness of, and circumstances surrounding, the offence, the explanation offered by the convicted person, the relevance of the offence to the proposed role, the passage of time since the offence was committed and evidence of the individual's rehabilitation."
- 13. FIT 2.1.3G(1) states that the matters referred to in FIT 2.1.1G include, but are not limited to, whether a person has been convicted of any criminal offence, noting that particular consideration will be given to offences including dishonesty, fraud and financial crime (amongst other things).