

**FINAL NOTICE DATED 5 December 2008**

**Cartel (Midlands) Ltd**

**SUMMARY OF THE MATTER TO WHICH THE NOTICE RELATES**

**Date of issue: 5 December 2008**

On 31 October 2008 the FSA decided to refuse an application made by Cartel Midlands Limited ("CML") under Section 40 of the Financial Services and Markets Act ("the Act") for Part IV permission to carry on the regulated activities of:

- (a) Advising on regulated mortgage contracts;
- (b) Arranging regulated mortgage contracts;
- (c) Making arrangements with a view to regulated mortgage contracts;
- (d) Advising on non-investment insurance contracts;
- (e) Agreeing to carry on a regulated activity;
- (f) Arranging (bringing about deals) in non-investment insurance contracts;
- (g) Making arrangements with a view to non-investment insurance contracts.

The FSA has decided to refuse the application because:

1. Peter Applewhite ("Mr Applewhite") is the sole director and advisor of CML and would be responsible for the running of the firm. The FSA has refused Mr Applewhite's application for controlled functions because it concluded that it was not satisfied that Mr Applewhite was fit and proper to perform such functions. As he will not be approved, the FSA is not satisfied that CML's non-financial resources will be adequate in relation to the regulated activities it seeks to carry on; and
2. CML has failed to demonstrate that it is ready, willing and organised to comply with the requirements and standards under the regulatory system or that it has a competent and prudent management and will exercise due skill care and diligence.
3. CML did not make any representations in response to the FSA's Warning Notice proposing to refuse the application, nor, following the giving of the FSA's Decision Notice, did CML refer the matter to the Financial Services and Markets Tribunal within the time limit or subsequently.

In the circumstances, the FSA concluded that it could not ensure that the requirement of section 41(2) of the Act, in that it could not ensure that CML satisfies and will continue to satisfy the threshold conditions in relation to the regulated activities for which CML would have permission if the Application was granted. On that basis, the FSA refused the Application.