



12 Endeavour Square  
London  
E20 1JN

Tel: +44 (0)20 7066 1000  
Fax: +44 (0)20 7066 1099  
[www.fca.org.uk](http://www.fca.org.uk)

---

## FINAL NOTICE

---

**To:** **Charanjit Sandhu**

**Individual  
Reference  
Number:** **6094530**

**Dated:** **28 APRIL 2022**

### ACTION

1. For the reasons listed in this Final Notice and pursuant to section 56 of the Act, the Authority has decided to make an order prohibiting Mr Sandhu from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm.
2. On 9 March 2022, the Authority gave Mr Sandhu the Decision Notice, which notified Mr Sandhu that the Authority had decided to take the action specified above.
3. Mr Sandhu 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 makes a prohibition order in respect of Mr Sandhu. The prohibition order takes effect from the date of this Final Notice.

### SUMMARY OF REASONS

5. As set out in more detail in the facts and matters described below, Mr Sandhu was tried and convicted of one offence of conspiracy to defraud and three counts of communicating an invitation to engage in investment activity contrary to section 21 of the Act. He was also convicted, upon his own confession, of two counts of conspiracy to defraud. He was further convicted, upon his own confession, of one count of conspiracy to commit fraud.

6. Given the nature and circumstances of the offending, the Authority considers that Mr Sandhu is not a fit and proper person to perform any function in relation to any regulated activity carried on by an authorised or exempt person or exempt professional firm. This is because he lacks honesty and integrity.
7. As a result of his lack of honesty and integrity, Mr Sandhu poses a serious threat to consumers and to confidence in the financial system. Therefore, it is appropriate, in order to advance the Authority's statutory objectives (which include securing an appropriate degree of protection for consumers and protecting and enhancing the integrity of the UK financial system), to impose a prohibition order on him in the terms above.

## **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 Sandhu dated 9 March 2022;
  - "EG" means the Enforcement Guide;
  - "the Handbook" means the Authority's Handbook of rules and guidance;
  - "Mr Sandhu" means Charanjit Sandhu;
  - "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 Mr Sandhu dated 9 February 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. Mr Sandhu has never been approved by the Authority to perform any controlled functions.
11. Following an investigation by the Authority's Unauthorised Business Department and other law enforcement bodies, Mr Sandhu was convicted of multiple offences.
12. On 11 December 2017, at Southwark Crown Court, Mr Sandhu was tried and convicted on indictment of one count of conspiracy to defraud, contrary to common

law, and three counts of communicating an invitation to engage in investment activity, contrary to section 21 of the Act.

13. On 20 December 2017, at Southwark Crown Court, upon his own confession, Mr Sandhu was convicted on indictment of two counts of conspiracy to defraud, contrary to common law.
14. On 9 February 2018, at Maidstone Crown Court, upon his own confession, Mr Sandhu was convicted on indictment of one count of conspiracy to commit fraud contrary to section 1 of the Criminal Law Act 1977.
15. Of Mr Sandhu, the sentencing judge said: "You can in my judgment aptly be described as a super salesman – I do not mean that as a compliment – whose aggression and persistence was specifically deployed against particularly lucrative targets." He also managed other salespeople and used aggressive sales tactics towards consumers, many of whom were vulnerable consumers. He was also later the main operator of a recovery room fraud, during which he targeted consumers who had already been victims of fraud. The judge also commented that Mr Sandhu's offending was substantially aggravated by the fact that he persisted with it "...in the full knowledge that the [Authority] were investigating the business and seeking to bring it to a close..."
16. On 4 September 2018, at Southwark Crown Court, Mr Sandhu was sentenced to a total term of nine years' imprisonment for the above offences; disqualified as a director for fourteen years, under section 2 of the Company Directors Disqualification Act 1986; and made subject to a Serious Crime Prevention Order for a period of five years, pursuant to section 19 of the Serious Crime Act 2007.

## **PROCEDURAL MATTERS**

### **Important**

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

### **Decision Maker**

18. 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>

### **Publicity**

19. 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 Sandhu or prejudicial to the interests of the consumers or detrimental to the stability of the UK financial system.

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

### **Authority Contact**

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

**Anna Couzens**  
**Enforcement and Market Oversight**

## **ANNEX A**

### **RELEVANT STATUTORY PROVISIONS**

1. The Authority's operational objectives include securing an appropriate degree of protection for consumers (section 1C of the Act) and 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."

### **RELEVANT REGULATORY PROVISIONS**

3. In exercising its power to make a prohibition order, the Authority must have regard to guidance published in the Handbook and in regulatory guides, such as EG. The relevant main considerations in relation to the action specified above are set out below.

#### **The Enforcement Guide**

4. The Authority's policy in relation to exercising its power to issue a prohibition order is set out in EG.
5. EG 9.1 explains the purpose of prohibition orders in relation to the Authority's regulatory objectives.
6. EG 9.2 sets out the Authority's general policy on making prohibition orders. 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;
  - (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, among 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.
7. EG 9.5.1 states that where the Authority is considering whether to make a prohibition order against someone who is not an approved person, the Authority will consider the severity of the risk posed by the individual and may prohibit him

where it considers that it is appropriate to achieve one or more of the Authority's statutory objectives.

8. EG 9.5.2 provides that, when considering whether to exercise its power to make a prohibition order against someone who is not an approved person, the Authority will consider all the relevant circumstances of the case. These may include, but are not limited to, the factors set out in EG 9.3.2. Those factors include: 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); the relevance and materiality of any matters indicating unfitness; the length of time since the occurrence of any matters indicating unfitness; and the severity of the risk which the individual poses to consumers and to confidence in the financial system.

### **Fit and Proper Test for Employees and Senior Personnel**

9. The Authority has issued guidance on the fitness and propriety of individuals in FIT.
10. 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.
11. 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."
12. 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).