



Financial Services Authority

FINAL NOTICE

To: **City Estates Mortgages Limited**

Of: **City Estates Mortgages limited
525 Abbeydale Road
Sheffield
S7 1FU**

FSA
Reference
Number: **477958**

Dated: **22 July 2009**

TAKE NOTICE: The Financial Services Authority (the "FSA") of 25 The North Colonnade, Canary Wharf, London E14 5HS gives City Estates Mortgages Limited, final notice about a decision to cancel the permission granted to City Estates Mortgages Limited to carry on regulated activities

1. ACTION

- 1.1 The FSA gave City Estates Mortgages Limited ("CEML") a Decision Notice on 18 June 2009 (the "Decision Notice") which notified CEML that for the reasons given below and pursuant to section 45 of the Financial Services and Markets Act 2000 (the "Act"), the FSA had decided to cancel the permission granted to CEML pursuant to Part IV of the Act ("CEML's permission").
- 1.2 CEML was informed of its statutory right to make a reference to the Financial Services and Markets Tribunal, but it has not referred the Decision Notice to the Tribunal within 28 days of the date on which the Decision Notice was given to it. Accordingly, the FSA has today cancelled CEML's Part IV Permission.

2. REASONS FOR ACTION

- 2.1 By a First Supervisory Notice dated 6 May 2009, CEML's Part IV permission was varied by removing all regulated activities with immediate effect. A copy of the First Supervisory Notice, by which the FSA removed all regulated activities from CEML's permission, is displayed on the FSA's website.
- 2.2 On the basis of the facts and matters and conclusions described in its Warning Notice dated 6 May 2009 (the "Warning Notice"), and in the Decision Notice, it appears to the FSA that it is no longer necessary to keep CEML's permission in force and that the FSA must cancel it, following the variation action removing all regulated activities.
- 2.3 In addition to its obligation to cancel CEML's permission, the FSA also considers cancellation of CEML's permission is necessary because:
- CEML has failed to pay fees and levies totalling £1,094.17 to the FSA, despite repeated requests to do so;
 - CEML has failed to respond appropriately, or at all, to repeated requests by the FSA to pay fees and levies owed to the FSA and to provide information regarding CEML's Professional Indemnity Insurance position. By virtue of those failings CEML has also failed to comply with Principle 11 (Relations with regulators) in that CEML has not been open and co-operative in all its dealings with the FSA; and
 - by virtue of those failings, CEML has failed to satisfy the FSA that it is conducting its business soundly and prudently and in compliance with proper standards as required by Threshold Condition 5 (Suitability).
- 2.4 These failures, which are significant in the context of CEML's suitability, lead the FSA to conclude that CEML is not a fit and proper person, and that CEML is failing to satisfy the Threshold Conditions in relation to the regulated activities which were in CEML's permission.

3. DECISION MAKER

- 3.1 The decision which gave rise to the obligation to issue this Final Notice was taken by the Regulatory Decisions Committee.

4. IMPORTANT

- 4.1 This Final Notice is given to CEML in accordance with section 390(1) of the Act.

Publicity

- 4.2 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 FSA must publish such information about the matter to which this Final Notice relates as the FSA considers appropriate. The information may be published in such manner as the FSA considers appropriate. However, the FSA may not publish information if such publication would, in the opinion of the FSA, be unfair to CEML or prejudicial to the interests of consumers.
- 4.3 The FSA intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

FSA Contact

- 4.4 For more information concerning this matter generally, CEML should contact Priya Popat at the FSA (direct line: 020 7066 0520 /fax: 020 7066 0521).

John Kirby
FSA Enforcement Division