
FINAL NOTICE

NOTE: This prohibition order was revoked by the FCA on 20/09/2023

To: Darren Button

Date of Birth: 26 January 1977

Dated: 21 July 2010

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (the "FSA") gives you, Darren Button, final notice about a decision to make an order prohibiting you from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or any exempt professional firm

1. THE ACTION

- 1.1. The FSA gave you a Decision Notice on 9 June 2010 (the "Decision Notice"). Which notified you that, pursuant to section 56 of the Financial Services and Markets Act 2000 (the "Act"), the FSA has decided to make an order prohibiting you, Darren Button, from performing any function in relation to any regulated activity carried out by an authorised person, exempt person or exempt professional firm (the "Prohibition Order").
- 1.2. You have not referred the matter to the Upper Tribunal (Tax and Chancery Chamber) ("the Tribunal") within 28 days of the date on which the Decision Notice was given to you.
- 1.3. Accordingly, for the reasons set out below, the FSA hereby makes an order, pursuant to section 56 of the Act, prohibiting you from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm. This order has effect from 21 July 2010.

2. REASONS FOR THE ACTION

- 2.1. By its Decision Notice dated 9 June 2010, the FSA gave notice that it decided to take the action described above and you were given the opportunity to make representations to the FSA about that action.
- 2.2. In particular you have:
- (1) submitted mortgage applications to lenders which you knew contained false and misleading information; and
 - (2) altered financial documents to mislead lenders and assist customers to obtain regulated mortgage contracts by fraudulent means.
- 2.3. The FSA has therefore decided to take the action for the reasons described in the Decision Notice and to give this Final Notice. A copy of the relevant extract of the Warning Notice is attached to and forms part of this Final Notice.

3. DECISION MAKER

- 3.1. The decision which gave rise to the obligation to give this Final Notice was made by the Deputy Chairman of the Regulatory Decisions Committee.

4. IMPORTANT

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

Publicity

- 4.2. Sections 391(4), 392(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 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 you 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 contacts

- 4.7 For more information concerning this matter generally, you should contact Paul Howick at the FSA (direct line: 020 7066 7954).

Tom Spender

Head of Department

FSA Enforcement and Financial Crime Division

EXTRACT FROM WARNING NOTICE DATED 6 MAY 2010

5. FACTS AND MATTERS RELIED ON

Background

- 5.1. Between July 2006 and August 2008 ("the Relevant Period"), you were employed as a mortgage adviser by Mark Gregory Thorogood trading as Property Park Mortgages ("Property Park"). Property Park is a mortgage brokerage and estate agency based in Colwyn Bay, North Wales. Property Park has been authorised by the FSA to sell regulated mortgage contracts since 31 October 2004 and regulated insurance policies since 14 January 2005.
- 5.2. Unless otherwise stated, the facts and matters set out in paragraphs 5.4 to 5.11 below relate to the Relevant Period.
- 5.3. You admitted in interview on 15 August 2008 that you deliberately entered false income and employment information on mortgage application forms submitted by you to lenders on behalf of customers. You also amended customers' payslips and you admitted that applications for self-certification mortgages were submitted even when income figures were available.

False mortgage applications

Customer A

- 5.4. You completed a fact find document on behalf of customer A in which you recorded his basic annual income to be £14,560 plus £10,000 annual rental income. You then completed and submitted a mortgage application on behalf of customer A in which you stated that he had a basic annual income of £26,000.
- 5.5. During interview on 15 August 2008 you admitted to the FSA that, on the application form, you inflated customer A's basic annual income by £10,000 to include the annual rental income declared to you by customer A, notwithstanding the fact that a separate section of the application form existed for the rental income to be separated from customer A's basic income. You further accepted that you did not know how much rental income was actually received and never sought to obtain evidence of this income. You stated that this was the level of income required by the lender for them to approve the mortgage sought by customer A.
- 5.6. You also recorded details on customer A's fact find document of two loan defaults. However, when you completed customer A's mortgage application these loan defaults were not declared to the lender. You nonetheless completed customer A's application declaring there to be no adverse credit.
- 5.7. During interview you admitted misleading the lender as to customer A's financial circumstances. You further stated that in general if lenders were not aware of customers' adverse credit history, you would not inform the lender of any such adverse history.

- 5.8. You altered a payslip showing customer A's true income by obscuring the income figures on the payslip with correction fluid. You subsequently sent this payslip to the lender to evidence customer A's employment status, knowingly seeking to mislead the lender about customer A's true income.
- 5.9. During interview you admitted obscuring the income figures on customer A's payslip because you knew that the lender would reject the mortgage application if they were made aware of his true level of income.

Customer B

- 5.10. You were aware that customer B's fact find document had been amended to increase his income by £100,000 per annum. You were further aware that two mortgage applications submitted by Property Park on behalf of customer B included details of this false, inflated income.
- 5.11. During interview you admitted being aware of this amended income figure and that this was submitted to lenders in two mortgage applications by Property Park on behalf of customer B. You further admitted that you were aware of other customers of Property Park having their income figures inflated on mortgage applications but that you thought "*it didn't seem to be a huge problem*" and you did not raise this as a concern to anyone, either at Property Park, the lenders or the FSA, at any time during the Relevant Period.

6. ANALYSIS OF MISCONDUCT AND PROPOSED SANCTION

- 6.1. The facts and matters described above lead the FSA to conclude that you lack honesty and integrity because you have:
 - (1) submitted mortgage applications to lenders which you knew contained false and misleading information; and
 - (2) altered financial documents to mislead lenders and assist customers to obtain regulated mortgage contracts by fraudulent means.
- 6.2. These matters go directly to impugn your honesty and integrity, and therefore demonstrate that you are 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.
- 6.3. The FSA considers that you pose a serious risk to lenders and consumers and to the FSA's regulatory statutory objectives of maintaining confidence in the financial system, protecting consumers and the reduction of financial crime.
- 6.4. The FSA therefore considers it necessary to prohibit you pursuant to section 56 of the Act.