



Financial Conduct Authority

25 The North Colonnade
Canary Wharf
London
E14 5HS

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

FINAL NOTICE

To: **Habib-Ur Rehman**

**Firm
Reference
Number:** **582050**

Address: **822 Leeds Road
Bradford
BD3 9TY**

Dated: **11 April 2017**

ACTION

1. For the reasons set out in this Final Notice, the Authority hereby takes the following action against Mr Rehman.
2. The Authority gave Mr Rehman the Decision Notice, which notified Mr Rehman that, for the reasons given below and pursuant to section 55J of the Act, the Authority had decided to cancel the permission granted to Mr Rehman under Part 4A of the Act.
3. Mr Rehman 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 has today cancelled Mr Rehman's Part 4A permission.

DEFINITIONS

5. 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 issued to Mr Rehman on 24 February 2017;
- “EG” means the Authority’s Enforcement Guide;
- “the Handbook” means the Authority’s Handbook of rules and guidance;
- “the Principles” means the Authority’s Principles for Businesses;
- “Mr Rehman’s Part 4A permission” means the permission granted by the Authority to Habib-Ur Rehman pursuant to Part 4A of the Act;
- “the suitability Threshold Condition” means the threshold condition set out in paragraph 2E of Schedule 6 to the Act;
- “SUP” means the section of the Authority’s Handbook entitled ‘Supervision Manual’;
- “the Threshold Conditions” means the threshold conditions set out in Schedule 6 to the Act;
- “the Tribunal” means the Upper Tribunal (Tax and Chancery Chamber); and
- “the Warning Notice” means the Warning Notice issued to RRL on 22 December 2016.

RELEVANT STATUTORY PROVISIONS

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

FACTS AND MATTERS

7. Mr Rehman was authorised by the Authority on 1 October 2012 to conduct mortgage mediation and general insurance mediation activities.
8. Mr Rehman has failed to co-operate with the Authority in that he has failed to respond adequately, or at all, to repeated Authority correspondence requesting that he provide information relating to his mortgage activities.

FAILINGS

9. The Authority has concluded, on the basis of the facts and matters described above, that Mr Rehman:
- has failed to comply with Principle 11 (which requires a firm to deal with its regulators in an open and co-operative way and to disclose to the Authority appropriately anything relating to the firm of which the Authority would reasonably expect notice);

- b. has failed to satisfy the Authority that he is ready, willing and organised to comply with the requirements and standards under the regulatory system;
- c. has therefore failed to satisfy the Authority that his business is being managed in such a way as to ensure that his affairs will be conducted in a sound and prudent manner or that he is a fit and proper person having regard to all the circumstances; and
- d. is therefore failing to satisfy the suitability Threshold Condition in relation to his permitted regulated activities,

and accordingly, Mr Rehman's Part 4A permission should be cancelled.

DECISION MAKER

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

IMPORTANT

- 11. This Final Notice is given to Mr Rehman in accordance with section 390(1) of the Act.

Publicity

- 12. The Authority must publish such information about 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 information would, in the opinion of the Authority, be unfair to Mr Rehman or prejudicial to the interests of consumers.
- 13. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contact

- 14. For more information concerning this matter generally, Mr Rehman should contact Janan Akkad at the Authority (direct line: 0207 066 0230).

John Kirby
Enforcement and Market Oversight Division

ANNEX**RELEVANT STATUTORY PROVISIONS**

1. The Authority's operational objectives established in section 1B of the Act include protecting and enhancing the integrity of the UK financial system and securing an appropriate degree of protection for consumers.
2. The Authority is authorised by section 55J of the Act to cancel a firm's Part 4A permission where it appears to the Authority that such a person is failing to satisfy the Threshold Conditions.
3. The suitability Threshold Condition provides that:

"A must be a fit and proper person having regard to all the circumstances, including

[...]

(f) whether A's business is being, or is to be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner. [...]"

RELEVANT HANDBOOK AND OTHER REGULATORY PROVISIONS

4. In exercising its power to cancel a firm's Part 4A permission, the Authority must have regard to the regulatory requirements and guidance published in the Handbook and in regulatory guides, such as EG. The main considerations relevant to the action stated in this Decision Notice are set out below.

Relevant Principle

5. Principle 11 requires a firm to deal with its regulators in an open and co-operative way, and to disclose to the Authority appropriately anything relating to the firm of which the Authority would reasonably expect notice.

Guidance concerning the relevant Threshold Condition

6. Guidance on the Threshold Conditions is set out in COND

COND 2.5 – Suitability: Paragraph 2E of Schedule 6 to the Act
7. COND 2.5.1AUK reproduces the relevant statutory provision that a person concerned must be a fit and proper person having regard to all the circumstances, including, amongst other things, the need to ensure that its business is being managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner.
8. COND 2.5.1BG confirms that Paragraph 2E of Schedule 6 to the Act sets out the suitability Threshold Condition for firms carrying on, or seeking to carry on, regulated activities which do not consist of or include a PRA-regulated activity.
9. COND 2.5.2G states that the Authority will take into consideration anything that could influence a firm's continuing ability to satisfy the suitability Threshold Condition.

10. COND 2.5.6G gives examples of the kind of particular considerations to which the Authority may have regard when assessing whether a firm will satisfy, and continue to satisfy, the suitability Threshold Condition including, but not limited to, whether:
- the firm has been open and co-operative in all its dealings with the Authority and is ready, willing and organised to comply with the requirements and standards under the regulatory system (COND 2.5.6G(1)); or
 - the firm has contravened, amongst other things, any provisions of the regulatory system, which includes the Principles and other rules (COND 2.5.6G(4)).

OTHER RELEVANT REGULATORY PROVISIONS

11. The Authority's policy in relation to exercising its powers is set out in EG, the relevant provisions of which are summarised below.

Exercising the power to cancel a Part 4A permission on its own initiative under section 55J of the Act: the Authority's policy

12. EG 8.1 reflects the provisions of section 55J of the Act that the Authority may use its own-initiative power to cancel the Part 4A permission of an authorised firm where a firm is failing or is likely to fail to satisfy the Threshold Conditions (EG 8.1(1)); or where it is desirable to exercise the power in order to advance one or more of its operational objectives (EG 8.1(3)).
13. EG 8.13(1) provides that the Authority will consider cancelling a firm's Part 4A permission using its own-initiative powers contained in section 55J where the Authority has very serious concerns about a firm, or the way its business is or has been conducted.
14. EG 8.14 sets out examples of the circumstances in which the Authority will consider cancelling a firm's Part 4A permission. EG 8.14(8), which states that a failure to co-operate with the Authority which is of sufficient seriousness that the Authority ceases to be satisfied that the firm is fit and proper, for example failing without reasonable excuse to provide material information or take remedial action reasonably required by the Authority, is one such example (EG 8.14(8)(b)).