

FINAL NOTICE – SUMMARY OF CONTENTS

Ian Gillings

Date of Issue: 2 September 2005

The FSA has refused an application for the approval of Mr Gillings to perform the controlled function of director for Strutt & Nightingale Limited.

Mr Gillings was a non executive director of the Ward Evans Group plc (WEG) between February 1996 and May 2003; and WEG plc's wholly owned subsidiary Ward Evans Corporate Limited (WECL) between November 1999 and October 2000. From March 2002 until December 2002, Mr Gillings also operated in an executive role for the Ward Evans Group as the Company Secretary of all the companies of the WE Group.

On 31 March 2003, all of the companies of the WE Group were placed into voluntary liquidation.

A Company Directors Disqualification Act (CDDA) report was submitted to the DTI for the Secretary of State to consider whether to make an application for a mandatory disqualification order under section 6 of CDDA against all (including Mr Gillings) but one of the directors of the WE Group. Subsequently, Mr Gillings received a letter from the solicitors of the DTI confirming that the Secretary of State was not proposing to take action against him in connection with the WE Group of companies.

However, the FSA expects the non-executive directors of its regulated firms to independently challenge and scrutinise executive decisions, to reinforce the correct apportionment of responsibility and accountability and to guard against any concentration of power in a group of individuals. Mr Gillings, as a non executive director of the WE Group and the only member of its Board who was a qualified accountant, failed to meet these expectations.

Notwithstanding his own admissions of failures as a non executive director of the WE Group, it was of further concern to the FSA that Mr Gillings had not recognised the significance of these failures by voluntarily undertaking any formal re-training and education in relation to the expected duties of a director.

The FSA considered that the matters raised were serious and left it unsatisfied as to the capability of Mr Gillings to be a competent director for any other regulated firm.