

To: Palani Jegatheeswaran

Wilson Financial Services Limited
383 Northolt Road
Harrow
Middlesex
HA2 8JD

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London, E14 5HS (the "FSA") gives you final notice about a decision to withdraw the approval granted to Palani Jegatheeswaran in relation to Wilson Financial Services Limited

- 1.1 The FSA gave Palani Jegatheeswaran ("Mr Jegatheeswaran") a Decision Notice (the "Decision Notice") on 1 November 2007 which notified Mr Jegatheeswaran that, pursuant to section 45 of the Financial Services and Markets Act 2000 (the "Act"), the FSA had decided to withdraw the approval granted to Mr Jegatheeswaran in relation to Wilson Financial Services Limited ("WFSL").
- 1.2 Mr Jegatheeswaran has not referred the matter to the Financial Services and Markets Tribunal within 28 days of the date on which the Decision Notice was given to him.
- 1.3 Accordingly, for the reasons set out below, the FSA has withdrawn the approval granted to Mr Jegatheeswaran in relation to WFSL, pursuant to section 63(1) of the Act.

2.1 The FSA has concluded, on the basis of the facts and matters described in its Warning Notice dated 21 September 2007, and in the Decision Notice (an extract from which is

attached and forms part of this Final Notice), that it is not satisfied that Mr Jegatheeswaran is a fit and proper person to perform the functions for which he is approved in relation to WFSL. That is because, in the opinion of the FSA, he has failed to meet the criteria for fitness and propriety contained in the Fit and Proper Test for Approved Persons contained in the High Level Standards block of the FSA Handbook.

Relevant Guidance

Fit and Proper Test for Approved Persons ("FIT")

- 2.2 FIT 2.1.1 states that the FSA 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.
- 2.3 FIT 2.1.3(1) states that the FSA will have regard to whether the person has been convicted of any criminal offence; this must include, where relevant, any spent convictions excepted under the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 (see Articles 3 and 4 of the Order); particular consideration will be given to offences of dishonesty, fraud, financial crime or an offence whether or not in the United Kingdom or other offences under legislation relating to companies, building societies, industrial and provident societies, credit unions, friendly societies, banking and or other financial services, insolvency, consumer credit companies, insurance, and consumer protection, money laundering, market manipulation or insider dealing.
- 2.4 FIT 2.1.3(10) states that the FSA will have regard to whether the person, or any business with which the person has been involved, has been investigated, disciplined, censured or suspended or criticised by a regulatory or professional body, a court or Tribunal, whether publicly or privately.
- 2.5 FIT 2.1.3(13) states that the FSA will have regard to whether, in the past, the person has been candid and truthful in all his dealings with any regulatory body and whether the person demonstrates a readiness and willingness to comply with the requirements and standards of the regulatory system and with other legal, regulatory and professional requirements and standards.

The FSA's policy on the use of the power to withdraw approval

- 2.6 The Enforcement Guide ("EG") sets out the FSA's approach to exercising the main enforcement powers given to it by the Act. Chapter 9 of EG includes a description of the FSA's policy on the use of the power to withdraw approval.
- 2.7 EG 9.9 states that when the FSA decides whether to withdraw an individual's approval, it will consider all the relevant circumstances of the case, which may include whether the individual is fit and proper to perform functions in relation to regulated activities, according to the criteria for assessing fitness and propriety in FIT 2.1 (EG 9.9(2)).

- 2.8 EG 9.12 gives examples of types of behaviour which have previously resulted in the FSA deciding to withdraw the approval of an approved person, which include failure to disclose material considerations on application forms, such as details of criminal convictions. The nature of the information not disclosed can also be relevant.

3. IMPORTANT

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

Publicity

- 3.2 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 Mr Jegatheeswaran or prejudicial to the interests of consumers.
- 3.3 The FSA intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

FSA contacts

- 3.4 For more information concerning this matter generally, you should contact Pauline Cheng at the FSA (direct line: 020 7066 5228/fax: 020 7066 5229).

John Kirby
FSA Enforcement Division

EXTRACT FROM THE DECISION NOTICE DATED 1 NOVEMBER 2007 ISSUED TO PALANI JEGATHEESWARAN

"2. REASONS FOR THE ACTION

Facts and matters relied on

- 2.11 Mr Jegatheeswaran has been approved by the FSA since 31 October 2004, following the consideration of his application for approval dated 23 March 2004, which disclosed no adverse information.
- 2.12 Mr Jegatheeswaran failed to disclose in his application for approval, or subsequently, that he was convicted on 28 November 2001 at Harrow Magistrates Court, of making

false statements in relation to the business of Wilson Estate Agents Limited ("WEAL"). Mr Jegatheeswaran was asked specifically in the FSA application whether he had any past convictions for dishonesty, including where action had been taken by Trading Standards authorities.

- 2.13 On 22 October 2004, Mr Jegatheeswaran applied to the Office of Fair Trading (the "OFT") for a Consumer Credit Licence ("CCL") for Wilson Mortgage Services Limited ("WMSL"). He failed to disclose his convictions of 28 November 2001 in that application, which asked specifically whether anyone named in the application (Mr Jegatheeswaran was named), had been convicted of any offence.
- 2.14 On 3 February 2005, the OFT, having considered the convictions and the failure to disclose them, issued Mr Jegatheeswaran with a letter stating that:
- no action would be taken in respect of the conviction but warning him as to his future conduct; and
 - identifying that the non disclosure amounted to an offence under section 7 of the Consumer Credit Act, and reminding him of his obligations under that section.

Mr Jegatheeswaran did not notify the FSA at any stage of the OFT's consideration of this matter.

- 2.15 Mr Jegatheeswaran subsequently applied to the OFT for a CCL with respect to WEAL on 3 May 2005, and Wilson Financial Services Limited ("WFSL") on 21 May 2005. On both applications he disclosed his convictions of 28 November 2001.

Conclusions

- 2.16 The facts and matters described above lead the FSA, having regard to its regulatory objectives which include the protection of consumers, to conclude that:
- Mr Jegatheeswaran has been convicted of criminal offences involving dishonesty;
 - Mr Jegatheeswaran did not disclose his convictions to the FSA in March 2004 when applying for approval, or subsequently;
 - Mr Jegatheeswaran did not disclose his convictions to the OFT in October 2004 when applying for renewal of a CCL;
 - Mr Jegatheeswaran did not disclose his convictions to the OFT until May 2005, by which time he knew that the OFT was already aware of the convictions and had warned him as to his future conduct;
 - by failing to disclose these matters to the FSA, despite the requirement for such matters to be disclosed being clearly stated on the application form, Mr Jegatheeswaran prevented the FSA from making a fully informed assessment

of his fitness to be approved to perform functions in relation to WFSL's regulated activities;

- these matters demonstrate a pattern of dishonest behaviour over a significant period;
- the FSA does not accept Mr Jegatheeswaran's explanation of why he failed to disclose these matters;
- Mr Jegatheeswaran's failure to disclose these matters to the FSA and the OFT is evidence of a lack of rehabilitation in respect of his past conduct; and
- the matters Mr Jegatheeswaran failed to disclose and his failure to disclose them, go directly to impugn his honesty, integrity and reputation and therefore to demonstrate that he is not a fit and proper person to perform the functions to which his approval relates."

END OF EXTRACT