

FINAL NOTICE

Ray Khadivi

SUMMARY OF THE MATTERS TO WHICH THE NOTICE RELATES

Date of Issue: 9 November 2005

The FSA has refused an application for the approval of Mr Khadivi to perform the controlled function of director for PWS International Limited.

Mr Khadivi was a director of another firm ("the Previous Firm") from 4 January 2002. The Previous Firm was not authorised in the United Kingdom and was not permitted to carry on insurance business in the United Kingdom. However, the Previous Firm issued binding authorities to coverholders by which it gave coverholders the authority to accept risks in the United Kingdom on its behalf. This constituted insurance business in the United Kingdom for which the Previous Firm needed to have obtained authorisation (or be exempt) in the United Kingdom.

Also, Mr Khadivi failed to disclose in the application, despite questions that made clear that he was required to do so:

- details of relevant financial services employment in 1994 and 1995. and
- that in 1995 he had been the subject of an investigation which related to his business activities.

The FSA considered that Mr Khadivi's failure as a director of the Previous Firm to address the legal issues of the firm carrying on a regulated activity without being authorised, and the omissions to disclose relevant information, were pertinent to the question of whether Mr Khadivi was a fit and proper person to perform the function in question. The above matters raised serious concerns regarding Mr Khadivi's fitness, competence and capability.

Mr Khadivi referred the decision by the FSA to the Financial Services and Markets Tribunal, but the reference was later formally withdrawn.