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**FINAL NOTICE**

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**To: Omotayo Fawole**

**Reference: OSF01002**

**Date of birth: 3 January 1964**

**Dated: 8 August 2008**

**TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (the "FSA") gives you, Omotayo Fawole, final notice about the following action**

**1. ACTION**

1.1 The FSA gave you, Omotayo Fawole, a Decision Notice dated 8 July 2008 (the "Decision Notice") which notified you that the FSA had decided:

- (1) to withdraw the approval given to you pursuant to section 63 of the Financial Services and Markets Act 2000 ("the Act") to perform controlled functions;
- (2) to make an order, pursuant to section 56 of the Act, prohibiting you 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"); and
- (3) to impose a financial penalty of £100,000 on you, pursuant to section 66 of the Act, for failing to comply with the FSA's Statement of Principles.

1.2 You have 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 you.

1.3 Accordingly, the FSA has today imposed a financial penalty of £100,000 on you and hereby makes an order, pursuant to section 56 of the Act, prohibiting you 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 takes effect from 7 August 2008.

## **2. REASONS FOR THE ACTION**

2.1 On the basis of the facts and matters and conclusions described in the Warning Notice issued to you on 28 May 2008 (the “Warning Notice”), and in the Decision Notice, the FSA concluded that you are not a fit and proper person to perform any functions in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm, by virtue of your knowing involvement in mortgage fraud.

2.2 A copy of the relevant extract of the Warning Notice is attached to and forms part of this Notice.

## **3. DECISION MAKER**

3.1 The decision which gave rise to the obligation to give this Final Notice was made by 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), 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 Notice relates 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**

- 4.4 For more information concerning this matter generally, you should contact Chris Walmsley at the FSA (direct line: 020 7066 5894/fax: 020 7066 5895).

Jonathan Phelan  
Head of Department  
FSA Enforcement Division

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### **EXTRACT FROM WARNING NOTICE DATED 28 MAY 2008**

## **2. REASONS FOR PROPOSED ACTION**

### **Summary**

- 2.1 The FSA has concluded that you are not a fit and proper person to perform any functions in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm, and that you should be prohibited from doing so

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### **Facts and matters relied on**

#### ***Background***

- 2.7 The Firm is a small mortgage broker based in Woolwich, south London, and has been regulated by the FSA since 31 October 2004. You are the sole controlling interest at the Firm, owning 90% of the share capital. You are the only approved person at the Firm.

### *False mortgage applications*

- 2.8 In June 2006, you obtained a mortgage through the Firm. In your application, you declared that you earned a net profit of £85,000 during the previous year, trading as Oasis Mortgage [sic]. Your application was supported by accounts for the years ending 31 March 2004, 31 March 2005 and 31 March 2006, declaring net profits of £73,960, £79,231 and £85,472 respectively. When evaluating whether this information was correct, the FSA had regard to the following.
- 1) In your personal tax returns, you declared a net loss of £3,552 for the year ending April 2005 and a net profit of £1,668 for the year ending April 2006. You also reported a salary of £4,992, drawn from the Firm, for the year ending April 2005. Your total income as declared on your tax returns is significantly less than that declared in your mortgage application.
  - 2) In the audited accounts filed at Companies House for the year ending 29 February 2004, you stated that the Firm made a net profit of £2,804. In audited accounts filed at Companies House for the year ending 28 February 2005, you stated that the Firm made a net loss of £9,804. In unaudited accounts filed at Companies House for the year ending 28 February 2006, you stated that the Firm made a net profit of £688. The Firm's net profits as filed at Companies House are significantly less than that declared in your mortgage application.
  - 3) The Firm's declared profits as filed at Companies House are broadly consistent with information in your tax returns.
  - 4) The accounts filed at Companies House for the years ending 29 February 2004 and 28 February 2005 had been audited.
  - 5) The accounts provided in support of your application are made up for you as a sole trader, trading as Oasis Mortgage [sic], when you are in fact a director of a limited company.
- 2.9 The FSA has concluded that the accounts provided in support of your application were false, that you knew that they were false, and that you knowingly obtained a mortgage based on false information.
- 2.10 In addition, in June 2006, you submitted a mortgage application which stated that Employee A was a self-employed mortgage broker earning a net profit of over £70,000. Employee A was employed by the Firm at this date, and not self employed. Given the financial position of the Firm, and your personal financial circumstances, it is highly unlikely that Employee A would have received a salary of £70,000. Furthermore, according to tax records, in the year to April 2006, before working for the Firm, Employee A only earned £5,248.

2.11 The FSA has therefore concluded that the information provided in support of Employee A's application was false, that you knew that it was false, and that you knowingly applied for a mortgage on behalf of Employee A based on false information.