

FINAL NOTICE – SUMMARY OF CONTENTS

Date of issue: 19 January 2005

Partners Estate Agents, Pauline Clay and Andrew Jones

The FSA has refused an application for Part IV Permission from Partners Estate Agents (“PEA”), a partnership owned by Pauline Clay and Andrew Jones, which applied to carry on business under the FSA’s regulatory regime for mortgages and general insurance. The application was refused as PEA does not satisfy Threshold Conditions 4 (Adequate Resources) or 5 (suitability). The FSA has also refused applications for approval from Ms Clay and Mr Jones as it could not be satisfied that either applicant was fit and proper to perform the controlled functions for which they had applied.

Mr Jones and Ms Clay were previously involved with Partners Life, an Appointed Representative for an FSA-authorised firm (“the principal”). The principal examined a sample Partners Life client files and found that the signatures on six client Letters of Acceptance were not genuine.

Mr Jones and Ms Clay each denied any personal responsibility and blamed a named former employee of Partners Life. From an examination of the six Letters of Acceptance bearing falsified signatures, three could not have been carried out by the former employee because they were returned to the principal and the policies effected on dates before the individual concerned had started employment at Partners Life. Mr Jones and Ms Clay made representations to the FSA and stated that the three falsifications which occurred prior to the former employee’s employment at Partners Life must have been carried out by her predecessor. However, Mr Jones and Ms Clay were the only persons with access to the files for the entire period during which customers’ signatures were falsified.

Partners Life’s agreement with the principal was suspended on 15 April 2004 and terminated on 6 May 2004.

Mr Jones and Ms Clay maintained in their representations that they had not falsified any client signatures but conceded a failure in supervision of their employees and file auditing.

The FSA considered, having taken into account all the circumstances of the case, that these matters demonstrated that it could not be satisfied that Mr Jones and Ms Clay had the necessary honesty, integrity and reputation to be considered fit and proper persons and, as a result, PEA therefore did not satisfy Threshold Condition 5 (Suitability). In addition, the refusal of Mr Jones’s and Ms Clay’s applications meant that PEA did not, in the opinion of the FSA, meet Threshold Condition 4 (Adequate Resources) in relation to the regulated activities it sought to carry on. This is because PEA had not made applications for any other persons to perform controlled functions.

PEA, Mr Jones and Ms Clay did not take the opportunity to refer the matter to the independent Financial Services and Markets Tribunal.