
FINAL NOTICE

To: **Platinum Estates and Mortgages Limited**

Of: **224 Alum Rock Road
Birmingham
West Midlands
B8 3DH**

FSA Reference Number: **438429**

Dated: **13 January 2009**

TAKE NOTICE: The Financial Services Authority (the "FSA") of 25 The North Colonnade, Canary Wharf, London E14 5HS gives you, Platinum Estates and Mortgages Limited, final notice about a decision to cancel the permission granted to you to carry on regulated activities

1. ACTION

- 1.1 The FSA gave Platinum Estates and Mortgages Limited ("Platinum") a Decision Notice on 4 December 2008 (the "Decision Notice") which notified Platinum that for the reasons given below and pursuant to section 45 of the Financial Services and Markets Act 2000 (the "Act"), the FSA had decided to cancel the permission granted to Platinum pursuant to Part IV of the Act ("Platinum's Part IV permission").
- 1.2 Platinum was informed of its statutory right to make a reference to the Financial Services and Markets Tribunal, but it has not referred the Decision Notice to the Tribunal within 28 days of the date on which the Decision Notice was given to Platinum. Accordingly, the FSA has today cancelled Platinum's Part IV permission.

/Cont....

2. REASONS FOR ACTION

- 2.1 By a First Supervisory Notice dated 3 October 2008, Platinum's Part IV permission was varied by removing all regulated activities with immediate effect. A copy of the First Supervisory Notice, by which the FSA removed all regulated activities from Platinum's Part IV permission, is displayed on the FSA's web site.
- 2.2 By a Second Supervisory Notice dated 4 December 2008, the FSA decided not to rescind the variation of Platinum's Part IV permission effected by the First Supervisory Notice dated 3 October 2008.
- 2.3 On the basis of the facts and matters and conclusions described in its Warning Notice dated 3 October 2008 (an extract from which is attached to and forms part of this Final Notice), and in the Decision Notice, it appears to the FSA that it is no longer necessary to keep Platinum's Part IV permission in force and that the FSA must cancel it, following the variation action removing all regulated activities.
- 2.4 In addition, to its obligation to cancel Platinum's Part IV permission, the FSA also considers the cancellation of Platinum's Part IV permission is necessary because:
- Platinum has failed to meet its liabilities as they have fallen due and its resources are not adequate in relation to the regulated activities it had permission to carry on, in breach of Principle 4 (Financial prudence) of the FSA's Principles for Businesses and Threshold Condition 4 (Adequate resources); and
 - Platinum has repeatedly failed to provide accurate financial information to the FSA and failed to respond to repeated requests from the FSA to provide up-to-date financial information, and has therefore failed to satisfy Threshold Condition 5 (Suitability).
- 2.5 These failures, which are significant in the context of Platinum's suitability, lead the FSA to conclude that Platinum is not a fit and proper person, and that it is failing to satisfy the Threshold Conditions in relation to the regulated activities which were in Platinum's Part IV permission.

3. DECISION MAKER

The decision which gave rise to the obligation to issue this Final Notice was taken by the Regulatory Decisions Committee.

4. IMPORTANT

- 4.1 This Final Notice is given to Platinum 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 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 you or prejudicial to the interests of consumers.

FSA Contact

- 4.3 For more information concerning this matter generally, you should contact Sarah Dart at the FSA (direct line: 020 7066 4654/fax: 020 7066 4655).

John Kirby
FSA Enforcement Division

EXTRACT FROM THE WARNING NOTICE DATED 3 OCTOBER 2008 ISSUED TO PLATINUM ESTATES AND MORTGAGES LIMITED

"2. REASONS FOR THE PROPOSED ACTION

Facts and matters relied on

- 2.30 Platinum is a limited company, authorised by the FSA on 23 January 2006 to carry on home finance and insurance mediation business.
- 2.31 By a First Supervisory Notice dated 3 October 2008, the FSA varied Platinum's Part IV permission by removing all regulated activities with immediate effect because Platinum was unable to meet its liabilities as they have fallen due.
- 2.32 Platinum reported that it had negative capital resources of £17,125 its 2006 Accounts which is £22,125 below the minimum level required under the FSA's rules. The FSA has informed Platinum that it has capital resources substantially below the level required, and given Platinum adequate opportunity to rectify its capital resources position, but it has failed to do so.
- 2.33 Platinum has repeatedly provided inaccurate financial information in its RMARs thereby failing to provide the FSA with an accurate picture of its financial position.
- 2.34 Platinum has failed to provide information regarding unsatisfied CCJs issued against the Firm and its capital resources position, and regarding the financial position of its

sole director at the time, Mr Arshad Fazal Mohamood, despite being requested by the FSA to do so

Conclusions

2.35 The facts and matters described above lead the FSA, having regard to its regulatory objectives, which include the protection of consumers, to the following conclusions:

- that Platinum is failing to meet the requirement set out in MIPRU 4.2.1R that it must be able to meet its liabilities as they fall due, and the requirement in MIPRU 4.2.2R that it must maintain a minimum level of capital resources, and it therefore has inadequate capital resources in breach of Principle 4;
- these failings are material in relation to the regulated activities for which it has permission and it therefore fails to satisfy Threshold Condition 4 (Adequate resources);
- that Platinum has failed to satisfy the requirement set out in SUP 15.6.1 to take reasonable steps to provide factually accurate and complete information to the FSA, and has also failed to be open and co-operative with the FSA in failing to respond adequately to FSA requests for financial information, and that Platinum is therefore in breach of Principle 11; and
- that Platinum has therefore demonstrated that it is not conducting its business with integrity and in compliance with proper standards, and thus fails to satisfy Threshold Condition 5 (Suitability).

Also, as Platinum no longer has regulated activities in its permission, the FSA is satisfied that it is no longer necessary to keep its Part IV permission in force and accordingly has a duty to cancel it."

END OF EXTRACT