
FINAL NOTICE

To: Sadia Nasir

Date of birth: 15 August 1981

Dated: 4 July 2008

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

1. ACTION

1.1. The FSA gave you a Decision Notice dated 5 June 2008 ("the Decision Notice") which notified you that the FSA had decided:

- (1) to make a prohibition order, pursuant to section 56 of the Financial Services and Markets Act 2000 (“the Act”), to prevent you, Sadia Nasir, from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm (“the Prohibition Order”);
- (2) to impose a financial penalty of £129,000 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 £129,000 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 4 July 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 30 April 2008 ("the Warning Notice"), and in the Decision Notice, the FSA concluded that you pose a risk to lenders and consumers and, therefore, to confidence in the financial system. Action should be taken against you in support of the FSA's financial crime objective because you have failed to meet minimum regulatory standards in terms of honesty and integrity, which includes an obligation to comply with the requirements and standards of the regulatory system and to be candid and truthful in all your dealings with any regulatory body.
- 2.2. A copy of the relevant extract of the Warning Notice is attached to and forms part of this Notice.
- 2.3. The decision which gives rise to the obligation to give this Final Notice was made by the Regulatory Decisions Committee.

3. IMPORTANT

- 3.1 This Final Notice is given to you in accordance with section 390 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 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.

- 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 Chris Walmsley (direct line: 020 7066 5894 / fax: 020 7066 5895) of the Enforcement Division of the FSA.

Jonathan Phelan
Head of Department
FSA Enforcement Division

EXTRACT FROM WARNING NOTICE DATED 30 APRIL 2008

2. REASONS FOR THE PROPOSED ACTION

- 2.1. The FSA has concluded that you are not fit and proper to carry out any functions in relation to any regulated activities carried on by any authorised person, exempt person or exempt professional firm and that you should be prohibited from doing so.
- 2.2. On the basis of the facts and matters summarised below, and set out in more detail of section 4 of this notice, the FSA has concluded that you have failed to meet minimum regulatory standards in terms of honesty and integrity, which includes an obligation to comply with the requirements and standards of the regulatory system and to be candid and truthful in all your dealings with the regulator.
- 2.3. You pose a risk both to consumers and lenders and to confidence in the financial system. Also this action should be taken against you in support of the FSA's financial crime objective.
- 2.4. In summary, you submitted seven mortgage applications containing false information about your own employment and earnings. Various documents, including payslips, financial statements and accountant's certificates submitted by you in support of these applications have been found to contain false information.

- 2.5. The true extent of your property holdings were not disclosed on four mortgage applications. In addition, you submitted residential mortgage applications for three properties which you were purchasing as buy-to-let properties.
- 2.6. In four instances, you entered your own bank details on mortgage applications for clients. The FSA was only able to trace one of these four clients, who said that she had submitted no such application.
- 2.7. Furthermore, you deliberately withheld sections of an application form from FSA investigators when you were compelled to provide copies of your own applications. Also, you failed to disclose to the FSA any information relating to the County Court Judgment (“CCJ”) made against you in September 2005 and to disclose the true extent of your assets in a recent authorisation application to the FSA.

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4. FACTS AND MATTERS RELIED ON

Background

- 4.1. You are currently a director of Sucasa (London) Limited, formerly named London Mortgages and Financial Services Limited, trading as House of Finance (“HoF”), which was a mortgage broker in the Ilford area.
- 4.2. HoF was authorised by the FSA between 31 October 2004 and 25 May 2007 and, during this time, you performed the controlled function of CF1 (Director) and you were the only mortgage adviser.

Your own mortgage applications

- 4.3. The FSA reviewed seven mortgage applications that you submitted to seven different lenders over a five year period. You submitted four mortgage applications through HoF and three mortgage applications via third party mortgage intermediaries.
- 4.4. The FSA found that you knowingly and intentionally submitted seven mortgage applications to lenders, which contained false information about your employment and earnings. The information that you provided to the lenders did not correspond with the earnings information that you reported to Her Majesty’s Revenue and Customs (“HMRC”). HMRC has no record of you having worked for the various companies that you listed in the seven different mortgage applications.
- 4.5. You submitted sets of financial statements in support of two of your mortgage applications, none of which were consistent with the financial information filed at Companies House. You confirmed that your signature appears on the relevant documents and therefore you had knowledge of the contents of each set of these misleading financial statements.
- 4.6. You knowingly and intentionally submitted three mortgage applications on a residential basis for properties being purchased as buy-to-let in order to obtain lower interest rates on the mortgages. You told the FSA that these properties were held on a buy-to-let basis. The lenders told the FSA that they were unaware that you had bought them to let.

You also failed to disclose the full extent of your property portfolio on four of your mortgage applications.

Client mortgage applications

- 4.7. On mortgage applications for four clients, the direct debit forms contained banking details for a bank account held in your name. You failed to provide a satisfactory reason for entering your own bank details in customers' mortgage applications.
- 4.8. One of the four applications, in the name of Client A, was accompanied by a copy of your bank statement which was used to verify the address. When questioned about this, your only comment was that this application was declined at an early stage and should not have proceeded.
- 4.9. Of the four individuals, the only person that the FSA was able to trace and speak to was Client A, who said that she had submitted no mortgage application through you. It is highly likely that you attempted to purchase these properties for personal gain by using the identity, in at least one of the four cases, of a third party.

Failure to co-operate with the FSA

- 4.10. You failed to disclose to the FSA any information relating to the CCJ filed against you in September 2005. You maintained that you were unaware of the CCJ until the issue was raised by a lender in April 2007. Even after this date, you did not notify the FSA.
- 4.11. You failed to disclose the true extent of your assets in a recent authorisation application to the FSA to operate as a sole trader. You maintained that additional information was provided in an annex to the application. However in the application you stated that no supporting documents were attached. Your application did not provide a copy of such an annex and the FSA has no evidence, beyond your assertion, to suggest that such supporting material was ever included with your application.
- 4.12. In response to the FSA's request for copies of your mortgage applications, you intentionally withheld a key section of an application by altering the version of the document that you sent to the FSA.

5. ANALYSIS OF MISCONDUCT AND PROPOSED SANCTION

- 5.1. The FSA has considered whether you are a fit and proper person to perform any functions in relation to regulated activities. In doing so, the FSA has considered its regulatory requirements and relevant guidance. In assessing your honesty, integrity and reputation for the purpose of considering whether you are a fit and proper person, the FSA highlights the following:
 - (1) your knowing involvement in the submission of at least four false mortgage applications, through HoF, demonstrating a lack of honesty and integrity (in contravention of Principle 1);
 - (2) your highly likely attempts to purchase properties for personal gain by using the identity, in at least one of four cases, of a third party (in contravention of Principle 1);

- (3) your deliberate failure to notify the FSA of your CCJ, failure to disclose complete and accurate information in an application for FSA authorisation, and the fact that you withheld from the FSA a section of one of your mortgage applications (in contravention of Principle 4); and
 - (4) your knowing involvement in the submission of a further three false mortgage applications, using the services of a third party intermediary to submit the applications to lenders, demonstrating a lack of honesty and integrity (in contravention of Fit 2.1).
- 5.2. The FSA considers that you pose a serious risk to lenders, to consumers, and to confidence in the financial system, and also that action should be taken to help prevent you from committing acts of financial crime.
- 5.3. The FSA therefore considers that it is necessary to prohibit you from performing any function in relation to any regulated activity carried out by any authorised person, exempt person or exempt professional firm.
- 5.4. The FSA also considers it appropriate to impose a financial penalty. The reason for imposing the financial penalty on you under section 66 of the Act is that when you were an approved person you submitted one application for a regulated mortgage contract which was supported by false information about you. The prohibition order is based on all seven false mortgage applications referred to in this Notice.
- 5.5. In determining the proposed financial penalty the FSA has considered the benefit obtained by you and the need to punish you as well as deter others from engaging in this type of activity. As a matter of principle, your profit should be disgorged. Accordingly, the FSA proposes a financial penalty of £129,000 which includes an element of disgorgement of profit of £29,000 and an additional penalty of £100,000.