
FINAL NOTICE

To: **White Square Investments Limited (in Administration)**

Care of: **Tenon Recovery
Sherlock House
73 Baker Street
London
W1U 6RD**

Reference
Number: **463285**

Dated: **3 September 2009**

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

1. ACTION

- 1.1 The FSA gave WSI, formerly trading from 31 Lombard Street, London, EC3V 9BQ, a Decision Notice on 28 July 2009 (the "Decision Notice") which notified WSI 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 WSI pursuant to Part IV of the Act ("WSI's Part IV permission").

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- 1.2 WSI 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 it. Accordingly, the FSA has today cancelled WSI's Part IV permission.

2. REASONS FOR ACTION

- 2.1 On the basis of the facts and matters and conclusions described in its Warning Notice dated 19 February 2009 (the "Warning Notice"), and in the Decision Notice, it appears to the FSA that WSI is failing to satisfy the threshold conditions set out in schedule 6 of the Act (the "Threshold Conditions").
- 2.2 This is because, in the opinion of the FSA, WSI's resources are not adequate in relation to the regulated activities it has permission to carry on. Specifically, financial information provided by WSI in its Form FSA003 for the period ended 31 July 2008 demonstrated a capital resources deficit of £106,000 at 31 July 2008. WSI later calculated the deficit to be £218,000 as at 30 November 2008. WSI has failed to rectify the deficit despite being given adequate opportunity to do so. By failing to maintain capital resources equal to or in excess of the applicable capital resources requirement, WSI is also in breach of Principle 4 (Financial prudence) of the FSA's Principles for Businesses.
- 2.3 These failings are significant and material in relation to the regulated activities for which WSI has permission, and WSI therefore fails to satisfy Threshold Condition 4 (Adequate resources).

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 WSI 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 WSI 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.

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FSA Contact

- 4.4 For more information concerning this matter generally, you should contact Martin Badcock at the FSA (direct line: 020 7066 1560/fax: 020 7066 1561).

John Kirby
FSA Enforcement Division