
FINAL NOTICE

To: **Yasmin Choudhary**
Formerly Of: **Limehouse Court, Printers Gate
3-11 Dod Street
London
E14 7EQ**

FSA Reference Number: **YXC01037**

Dated: **24 August 2011**

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (the “FSA”) gives Yasmin Choudhary (“Miss Choudhary”) final notice about an order prohibiting her from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm

1. THE ORDER

- 1.1. The FSA gave Miss Choudhary a Decision Notice on 18 May 2011 (the “Decision Notice”) which notified her that, for the reasons listed below and pursuant to section 56 of the Financial Services and Markets Act 2000 (the “Act”), the FSA had decided to make an order prohibiting her 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”).
- 1.2. Miss Choudhary has not referred the matter to the Upper Tribunal (Tax and Chancery Division) within 28 days of the date on which the Decision Notice was given to her.

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- 1.3. Accordingly, for the reasons set out below, the FSA hereby makes an order pursuant to section 56 of the Act prohibiting Miss Choudhary 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 takes effect from 23 August 2011.

2. REASONS FOR THE ORDER

Introduction

- 2.1. The FSA has concluded, on the basis of the facts and matters and conclusions described in its Warning Notice dated 10 March 2011 (an extract from which is attached to and forms part of this Final Notice), and, after considering written representations from Miss Choudhary, in the Decision Notice (an extract from which is also attached to and forms part of this Final Notice), that Miss Choudhary is not a fit and proper person to perform any functions as her conduct demonstrates a lack of honesty and integrity. Specifically, on 22 February 2010, Miss Choudhary was convicted of thirteen counts of financial crime offences, for which she was sentenced, on 7 June 2010, to a total of three years imprisonment.

Relevant Statutory Provisions

- 2.2. The FSA's statutory objectives are set out in section 2(2) of the Act and include the protection of consumers, maintaining market confidence and the reduction of financial crime.
- 2.3. The FSA's power to make a prohibition order is set out in section 56 of the Act and the procedure to be followed is set out in section 58 of the Act.

Relevant Guidance

The Enforcement Guide ("EG")

- 2.4. The FSA's policy in relation to exercising its power to issue a prohibition order is set out in EG.
- 2.5. EG 9.1 explains the purpose of prohibition orders in relation to the FSA's regulatory objectives.
- 2.6. EG 9.3 to 9.5 sets out the FSA's policy on making prohibition orders. In particular:
- (a) EG 9.3 states that the FSA will consider all relevant circumstances, including whether enforcement action has been taken against the individual by other enforcement agencies, in deciding whether to make a prohibition order;
 - (b) EG 9.4 states that the FSA has power to make a range of prohibition orders: they may be unlimited or they may be limited to specific functions in relation to specific regulated activities; and
 - (c) EG 9.5 states that the scope of a prohibition order will depend on the reasons why the individual is not fit and proper and the severity of risk he poses to

consumers or the market generally.

- 2.7. EG 9.17 sets out that where the FSA is considering whether to make a prohibition order against someone who is not an approved person, the FSA will consider the severity of the risk posed by the individual and may prohibit him where it considers that it is necessary to achieve the FSA's regulatory objectives.
- 2.8. EG 9.18 states that, when determining the fitness and propriety of such an individual, the FSA will consider a number of factors, including those set out in EG 9.9. These factors include: the criteria for assessing the fitness and propriety of approved persons set out in the Fit and Proper Test for Approved Persons ("FIT") section of the FSA Handbook, the relevance and materiality of any matters indicating unfitness, and the severity of the risk which the individual poses to consumers and to confidence in the financial system.

Fit and Proper Test for Approved Persons

- 2.9. The FSA has issued guidance on the fitness and propriety of individuals in FIT.
- 2.10. FIT 1.1.2G states that the purpose of FIT is to set out and describe the criteria that the FSA will consider when assessing the fitness and propriety of a candidate for a controlled function. The criteria are also relevant in assessing the continuing fitness and propriety of approved persons.
- 2.11. FIT 1.3.1G(1) states that the most important considerations include a person's honesty, integrity and reputation.
- 2.12. FIT 2.1.3G(1) states that the FSA will have regard to whether a person has been convicted of any criminal offence, and goes on to say that particular consideration will be given to offences of dishonesty, fraud, financial crime or other offences under legislation relating to money laundering.

3. DECISION MAKER

- 3.1. The decision that gave rise to the obligation to give this Final Notice was taken by the Regulatory Decisions Committee.

4. IMPORTANT

- 4.1. This Final Notice was sent to Miss Choudhary 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 Miss

Choudhary 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 contact

- 4.4. For more information concerning this matter generally, please contact Alexander Banerjea (direct line: 020 7066 7206 / fax: 020 7066 7207) of the Enforcement and Financial Crime Division at the FSA.

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John Kirby
FSA Enforcement and Financial Crime Division

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**EXTRACT FROM THE WARNING NOTICE DATED 10 MARCH 2011 ISSUED BY
THE FSA TO YASMIN CHOUDHARY**

“2. REASONS FOR PROPOSED ACTION

[...]

Facts and matters relied on

- 2.14. You were authorised as a sole trader, trading as Adams Financial Services, on 31 October 2004 to conduct regulated home finance and from 14 January 2005 to conduct insurance mediation business. You ceased to be authorised on 8 July 2009.
- 2.15. On 22 February 2010, you were convicted at Winchester Crown Court, upon your own admission, of nine counts of obtaining a money transfer by deception and one count of attempting to dishonestly obtain a money transfer by deception (contrary to section 15A of the Theft Act 1968), and three counts of fraud (contrary to section 1 of the Fraud Act 2006).
- 2.16. You committed twelve of these financial crime offences whilst you were authorised by the FSA. The offences of obtaining money transfers by deception and fraud involved the completion and submission of numerous false mortgage applications to various lenders.”

END OF EXTRACT

**EXTRACT FROM THE DECISION NOTICE DATED 18 MAY 2011 ISSUED BY
THE FSA TO YASMIN CHOUDHARY**

“5. REPRESENTATIONS, FINDINGS AND CONCLUSIONS

Representations

- 5.1. On 11 April 2011, you made written representations to the FSA in response to its Warning Notice dated 10 March 2011 (“Warning Notice”).
- 5.2. In those representations you asserted that there are details in the Warning Notice which are incorrect. You stated that you disagree with “section 4.3 on page 2” of the notice as it incorrectly states the:
 - (a) total amount of your mortgage fraud. You submitted that your individual mortgage fraud amounted to £1,841,082 not £3,136,537.
 - (b) lenders losses as at March 2010. You submitted that the lenders have suffered no loss and referred the FSA to the papers comprising your application for leave to appeal against your sentence (enclosed with your written representations).

- 5.3 You requested that the FSA consider your representations and send you “a new set of documents”.

Findings

- 5.4 The FSA has carefully considered your written representations and finds that they do not dispute the fact of your convictions on which (the Warning Notice and) this Decision Notice is based.
- 5.5 In particular, the FSA notes that:
- (a) the section 4.3 to which you refer in your written representations does not form part of its Warning Notice; it is part of the Enforcement Submissions Document (“ESD”);
 - (b) your disagreement with the contents of section 4.3 of the ESD does not require a new Warning Notice to be issued; and
 - (c) your application for leave to appeal is against your sentence and not against your convictions for thirteen counts of financial crime offences.
- 5.6 Accordingly, the FSA finds there is no basis not to give this Decision Notice and proceed to make the Prohibition Order against you.

Conclusions

- 5.7 The facts and matters described above lead the FSA, having regard to its regulatory objectives which include the protection of consumers, maintaining market confidence and the reduction of financial crime, to the following conclusions:
- you have acted dishonestly and without integrity by dishonestly making false representations to obtain money transfers by deception whilst authorised by the FSA;
 - you abused your position as an FSA authorised mortgage advisor to facilitate the completion and submission of numerous false mortgage applications to various lenders;
 - you have been convicted of serious financial crime offences;
 - the convictions, and the conduct which gave rise to them, go directly to impugn your honesty, integrity and reputation, and therefore demonstrate that you are not a fit and proper person to perform any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm;

- you present a risk to consumers, to the financial system, as well as to the FSA's statutory objective of the reduction of financial crime, as you have failed to demonstrate that you conducted your business in compliance with proper standards; and
- the severity of the risk that you pose to consumers and to confidence in the market generally is such that it is necessary in order to achieve its regulatory objectives for the FSA to make a prohibition order against you in the terms proposed.

5.8. The FSA has therefore decided that it is appropriate to make the Prohibition Order against you.”

END OF EXTRACT