



SECOND SUPERVISORY NOTICE

To: Williams, Stewart James (trading as S & J Consultants)
Of: 75a Granville Road
Sidcup
Kent
DA14 4BT

Dated: 15 August 2005

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS ("the FSA") has decided to take the following action

1. ACTION

For the reasons listed below, the FSA has decided not to rescind the variation of the permission granted to you, Stewart James Williams, trading as S & J Consultants, under Part IV of the Act ("your Permission") effected by the First Supervisory Notice issued on 10 June 2005. This removed all regulated activities with immediate effect, and included the following requirements, namely that within 14 days of the First Supervisory Notice you must:

- (i) advise in writing all clients for your regulated activities that you are no longer permitted by the FSA to carry on regulated activities;
- (ii) provide the FSA with a copy of the written advice sent to all clients for your regulated activities pursuant to (i) above, together with a list of all clients to whom such advice has been sent.

2. REASONS FOR ACTION

Summary

The FSA has concluded, on the basis of the facts and matters described below, that you are failing to satisfy the threshold conditions set out in Schedule 6 to the Act ("the threshold conditions") in that the FSA is not satisfied that you are a fit and proper

person having regard to all the circumstances. That is because, in the opinion of the FSA, you have failed to act with integrity when making your application for authorisation on 13 March 2004. Further, your conduct has not met the requirements of Principle 1 under which firms must act with integrity and of Principle 11 under which firms must co-operate with the FSA.

The FSA has therefore concluded that it should not rescind the variation of your Part IV permission effected by the First Supervisory Notice.

Facts and matters relied on

S & J Consultants is a sole trader mortgage and general insurance intermediary, of which you are the only principal and approved person.

On 6 July 2000 you were convicted of one count of making a false instrument and three counts of obtaining a money transfer by deception. For each of those offences you were sentenced to a 200 hour community service order, each to run concurrently, and to pay £1,000 in prosecution costs.

You have been authorised by the FSA since 31 October 2004, following the consideration of your application for authorisation (in March 2004) which disclosed no adverse information. You failed to disclose to the FSA your previous convictions in your application for authorisation, or subsequently.

Representations

You made written representations by letter dated 17 June 2005, and made oral representations on 3 August 2005. In summary you admitted that you had been convicted, and that you failed to disclose this to the FSA when you applied for authorisation, despite knowing that the information was required to consider your application. You also confirmed that you were fully aware of your actions when you completed your application form and that you deliberately failed to disclose the convictions in order to conceal the information from the FSA. You went on to state that you had complied with the First Supervisory Notice, that you very much regretted the actions leading to your convictions, and that you regretted that you did not disclose the convictions to the FSA.

The FSA has considered your representations and notes your frank admission of the convictions and the failure to disclose them. However, the FSA considers that your deliberate failure to disclose the convictions in your application of 13 March 2004 and the fact that they only were drawn to the attention of the FSA by the Office of Fair Trading after you became authorised, are of particular importance in considering whether you are able to satisfy Threshold Condition 5: Suitability. Had you disclosed the fact of the convictions in your original application, the decision maker might have taken a more sympathetic view of your case, given the degree of remorse you expressed during the course of your oral representations and the efforts which you have made to rehabilitate yourself through your business activities.

Conclusions

The facts and matters described above lead the FSA, having regard to your representations and to the FSA's regulatory objectives which include the protection of consumers, to the following conclusions:

- by failing to disclose your convictions, being material adverse information, to the FSA you prevented the FSA from making a fully informed assessment of your fitness to be authorised to conduct regulated activities, you have breached Principles 1 and 11; and
- these matters are material in relation to your permitted regulated activities and you therefore fail to satisfy Threshold Condition 5: Suitability.

Accordingly the FSA has concluded that it should not rescind the variation of your Part IV permission effected by the First Supervisory Notice.

3. **DECISION MAKER**

The decision which gave rise to the obligation to give this Supervisory Notice was made by the Regulatory Decisions Committee.

4. **IMPORTANT**

This Supervisory Notice is given to you in accordance with section 53(7)(b) of the Act. The following statutory rights are important.


The Tribunal

You may refer this matter to the Financial Services and Markets Tribunal ("the Tribunal"). Under section 133 of the Act, you have 28 days from the date you were sent this Supervisory Notice to refer the matter to the Tribunal or such other period as specified in the Tribunal Rules or as the Tribunal may allow. A reference to the Tribunal is made by way of a written notice signed by you and filed with a copy of this Notice. The Tribunal's address is: 15-19 Bedford Avenue, London WC1B 3AS (telephone 020 7612 9700). The detailed procedures for making a reference to the Tribunal are contained in section 133 of the Act and the Tribunal Rules.

You should note that the Tribunal Rules provide that at the same time as filing a reference notice with the Tribunal, you must send a copy of the notice to the FSA. Any copy notice should be sent to Andrew Wilson at the FSA, 9th Floor, 25 The North Colonnade, Canary Wharf, London E14 5HS.

FSA contacts

For more information concerning this matter generally, you should contact Andrew Wilson at the FSA (direct line: 020 7066 5170/fax: 020 7066 9720).


B.D. WHITBREAD

AP: His Hon Dr Colin Kolbert
Deputy Chairman, Regulatory Decisions Committee