

FINAL NOTICE DATED 20 June 2008

JOHN DAVID BELL ("MR BELL")

SUMMARY OF THE MATTER TO WHICH THE NOTICE RELATES

Date of issue: 20 June 2008

By an application dated 16 October 2007, PK Financial Planning LLP applied under Section 60 of the Financial Services and Markets Act ("the Act") for the approval of Mr Bell to perform the customer controlled function (Controlled Function 30). On 25 April 2008 we decided to refuse the application.

In 2003 Mr Bell (a pensions adviser) unlawfully encashed one of his personal pensions with a value of £11,769.95, knowingly breaching tax regulations. As a result he was therefore liable to reimburse HM Revenue & Customs ("HMRC") and pay a penalty.

In March 2005 the FSA learned of and started to investigate the unlawful transfer. In September 2005 Mr Bell resigned from his authorised firm and was therefore withdrawn as an approved person. The investigation concluded shortly thereafter on the basis that although the FSA had serious concerns about Mr Bell's fitness and propriety (as he had knowingly breached tax regulations and taken no steps to meet his obligations to HMRC) as Mr Bell was no longer an approved person, no further action was necessary. It was only after HMRC wrote to Mr Bell in March 2006 about the unlawful transfer that he started to take steps to reimburse them.

The FSA considers that Mr Bell's conduct in encashing his pension was dishonest (he admitted he knew at the time his actions were unlawful). In addition he failed to act with integrity once it became apparent his unlawful actions were likely to be uncovered by the FSA. Mr Bell made no contact with HMRC and it was only after they contacted him, around a year after the FSA started its investigation and four months after the investigation was closed, that he eventually took steps to repay his tax obligation. Integrity required Mr Bell to have taken positive steps at all times, including when he considered he was not being monitored or that the impropriety was unlikely to have been discovered.

The FSA considered whether sufficient time had elapsed from the time of the incident for Mr Bell to be considered to have been rehabilitated. On the assumption that no issue of integrity arises from the time he started to co-operate with HMRC in April 2006, the FSA considers that a somewhat longer period is necessary.

In light of the matters set out above, the FSA has concluded that it cannot be satisfied that Mr Bell is a fit and proper person to perform the controlled function to which the Application relates.