
FINAL NOTICE

To: **Direct Mortgages & Loans Limited**

Of: **Southcote
Bridgetown Hill
Totnes
Devon
TQ9 5BN**

Dated: **10 November 2006**

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

1. ACTION

The FSA gave you a Decision Notice on 6 October 2006 (the "Decision Notice") which notified you 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 you pursuant to Part IV of the Act ("your Part IV permission").

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. Accordingly, the FSA has today cancelled your Part IV permission.

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2. REASONS FOR ACTION

On the basis of the facts and matters and conclusions described in its Warning Notice dated 24 August 2006 (the "Warning Notice"), and in the Decision Notice, it appears to the FSA that you are failing to satisfy the threshold conditions set out in Schedule 6 to the Act (the "threshold conditions") in that you have failed to conduct your business in compliance with proper standards. You have also failed to comply with Principle 11 under which firms must co-operate with the FSA.

Specifically, you failed to submit your Retail Mediation Activities Return for the period ended 28 February 2006, despite the FSA's repeated requests for you to do so.

3. IMPORTANT

This Final Notice is given to you in accordance with section 390(1) of the Act.

Publicity

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 you or prejudicial to the interests of consumers.

The FSA intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

FSA Contact

For more information concerning this matter generally, you should contact Edward Bonilla at the FSA (direct line: 020 7066 5920 /fax: 020 7066 1616).

John Kirby
Manager - FSA Enforcement Division