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**FINAL NOTICE**

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**To:** Mr Faraz Ahmed Siddique

**Address:** 22 Church Lane  
London  
E11 1HG

**Reference:** FAS01026

**Dated:** 16 October 2009

**TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London, E14 5HS (the “FSA”) gives you, Faraz Ahmed Siddique, final notice about an order prohibiting you 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 you a Decision Notice on 21 November 2008 (“the Decision Notice”) which notified you that it had decided:
- (1) to withdraw the approval to perform controlled functions given to you under section 59 of the Financial Services and Markets Act 2000 (“the Act”) in relation to Aston Sterling Insurance Services Limited (“Aston Sterling”); and
  - (2) to make an order prohibiting you 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. You referred the matter to the Financial Services and Markets Tribunal (“the Tribunal”) on 16 January 2009. The hearing was due to take place on 20 and 21 October 2009 but, on 13 October 2009, you withdrew your reference. On 16 October 2009, the FSA received a direction from the Tribunal to withdraw your approval and to make the Prohibition Order.
- 1.3. Accordingly, and for the reasons set out below, the FSA hereby withdraws the approval to perform controlled functions given to you under section 59 of the Act and makes an order prohibiting you from performing any function in relation to any regulated activity carried out by an authorised person, exempt person or exempt professional firm. The withdrawal of approval and the Prohibition Order take effect from 16 October 2009.

## **2. REASONS FOR THE ORDER**

- 2.1. On the basis of the facts and matters set out in the Warning Notice issued to you on 6 August 2008 (“the Warning Notice”), and in the Decision Notice, the FSA has concluded that you are not a fit and proper person in terms of honesty and integrity and that the Prohibition Order should be made against you in support of the FSA’s financial crime and consumer protection objectives.
- 2.2. Specifically, when you applied to the FSA to take over as the approved person holding controlled functions at Aston Sterling from your brother, Waqas Ahmed Siddique, you failed to disclose material information to the FSA, namely namely that the reason for the change of approval at Aston Sterling was that your brother had been convicted of conspiracy to defraud and imprisoned.
- 2.3. Furthermore, after obtaining individual approval, you failed to disclose this material information, which constitutes a matter of which the FSA would reasonably expect notice. This is particularly serious because, by failing to disclose material information to the FSA, you enabled a firm which is connected to a convicted criminal to remain authorised, and you signed a declaration when you applied for individual approval that you had provided the FSA with accurate and complete information.
- 2.4. A copy of the relevant extract of the Warning Notice is attached to and forms part of this Notice.

## **3. DECISION MAKER**

- 3.1. The decision which gives rise to the obligation to give this Final Notice was made by the Regulatory Decisions Committee.

## **4. IMPORTANT**

- 4.1. This Final Notice is given to you in accordance with section 390(2) 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 Notice relates as it 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.
- 4.3. The FSA intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

### **FSA contacts**

- 4.4. For more information concerning this matter generally, you should contact Chris Walmsley (direct line: 020 7066 5894 / fax:020 7066 5895) of the Enforcement Division of the FSA.

**Tom Spender**  
**Head of Department**  
**FSA Enforcement Division**

## **EXTRACT FROM WARNING NOTICE DATED 6 AUGUST 2008**

### **4. FACTS AND MATTERS RELIED UPON**

#### **Background**

- 4.1 You are currently the sole approved person at Aston Sterling, a firm specialising in the provision of insurance policies to taxi companies, operating from 22 Church Lane, Leytonstone, London E11 5BU.
- 4.2 Aston Sterling became authorised by the FSA on 16 August 2007 with the following permissions:
- (a) advising on investments (except on Pension Transfers and Opt Outs);
  - (b) agreeing to carry on a regulated activity;
  - (c) arranging (bringing about) deals in investments; and
  - (d) making arrangements with a view to transactions in investments.
- 4.3 You became the sole approved person at Aston Sterling on 10 June 2008. From the date that Aston Sterling became authorised (16 August 2007) until the day that you became its approved person, your brother, Waqas Ahmed Siddique, was the sole director and approved person at Aston Sterling. On 6 June 2008, he was convicted of conspiracy to defraud and sentenced to a term of imprisonment. This was the reason for the change in approval at Aston Sterling.
- 4.4 Following your brother's conviction, you contacted the FSA and explained that Aston Sterling's then director and approved person had resigned and you asked what action was required in order to keep Aston Sterling authorised. You then applied to take over the controlled functions that your brother had been approved to perform. At no point did you inform the FSA of your brother's conviction, despite being aware that it was the reason for his resignation and your approach to the FSA.
- 4.5 Since becoming the approved person at Aston Sterling, you have continually failed to inform the FSA of the change in your brother's circumstances. This is particularly concerning given that you have been in regular contact with the FSA in relation to another matter and have therefore had many obvious opportunities to do so.

### **5. REPRESENTATIONS**

- 5.1 You informed the FSA of the background to your becoming an officer of Aston Sterling. You represented that you were named as Company Secretary

simply to provide a second officer at Aston Sterling and that following the incorporation of Aston Sterling, you were not actively engaged in its business.

- 5.2. You represented that you were not aware that your brother, Waqas Ahmed Siddique had been convicted of conspiracy to defraud, that is, despite living in the same house as your brother.
- 5.3. Following your brother's imprisonment and after you had found out about the conviction, it was decided that in order to continue servicing Aston Sterling's clients, you would take on a more active role in Aston Sterling. You represented that you made enquiries of the FSA Contact Centre as to what must be done if there was no director in place. The Contact Centre did not enquire what had become of the director but informed you that there should be a director and a person exercising a controlling function. You admitted that you did not at any time tell the FSA that your brother had been imprisoned and that his incarceration was the true reason for seeking approval.
- 5.4. You stated that you had not taken on any new business other than servicing the policy requirements of one or two clients although there was a possibility that some business may have been carried on due to a dispute with a another company nominated by Aston Sterling as an Authorised Representative.
- 5.5. Finally, you stated that you did not set out to deceive the FSA or any potential client and wish to continue to perform controlled functions as an approved person.

## **6. FINDINGS AND CONCLUSIONS**

- 6.1. Having considered the representations, the FSA does not accept your explanations for the breaches identified above. The FSA finds it is not credible that you were not aware of your brother's conviction and further finds that you concealed the true position from the FSA in your application for approval.
- 6.2. Accordingly, the FSA has concluded that the conduct summarised above represents a failure by you to comply with the Statements of Principle for Approved Persons as well as a failure by you to meet the minimum regulatory standards. The reasons for the FSA's conclusions are summarised below.
- 6.3. The fact that your brother was convicted of a criminal offence is information of which the FSA would reasonably expect notice, and your continual failure to disclose this material information after you became an approved person is therefore a breach of Statement of Principle 4.
- 6.4. Your deliberate failure to disclose this fact also demonstrates a lack of integrity, which constitutes a breach of Statement of Principle 1.
- 6.5. The FSA has concluded that your conduct demonstrates a lack of honesty and integrity; you have failed to meet minimum regulatory standards in terms of

honesty and integrity, and that you are not therefore fit and proper to carry out any functions in relation to any regulated activities carried on by any authorised person, and are not a fit and proper person to perform the function to which your approval, given under section 59 of the Act, relates.

- 6.6. It is necessary, in order to achieve its regulatory objectives, for the FSA to exercise its powers to withdraw your approval and make a Prohibition Order against you. In particular, taking this action against you is consistent with the FSA's policy of seeking to prevent individuals lacking integrity from working in authorised firms.