
FINAL NOTICE

To: **Mr P Halfpenney**
Of: **HPA Services**
108a Wales Road
Kiveton Park
Sheffield
S26 6RD

Dated: **10 October 2003**

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (“the FSA”) gives you final notice about a decision to cancel the permission granted to HPA Services (“HPA”) to carry on regulated activities.

1. ACTION

The FSA gave you a Decision Notice on 9 September 2003 (“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 HPA pursuant to Part IV of the Act (“HPA’s Part IV permission”).

2. REASONS FOR ACTION

By a First Supervisory Notice dated 30 January 2003, the FSA gave notice that it had decided to vary HPA’s permission, by removing all regulated activities with immediate effect (“the variation action”), because HPA was failing to satisfy the threshold conditions set out in Schedule 6 to the Act.

In the opinion of the FSA, the resources of HPA were not adequate in relation to the regulated activities it carried on. Specifically, HPA had failed to maintain any

professional indemnity insurance since 1 May 1999, notwithstanding that FSA Rule 13.1.3 in the Interim Prudential Sourcebook: Investment Businesses (IPRU(INV)) requires that HPA must effect and maintain at all times professional indemnity insurance for all the business activities which it carries on, or for which it is responsible.

There no longer being any regulated activities for which HPA had permission, and the FSA being satisfied that it was no longer necessary to keep HPA's Part IV permission in force, the FSA was under a duty to cancel it and gave HPA a Warning Notice dated 3 February 2003 ("the Warning Notice").

HPA made written representations to the FSA on 5 February 2003 and exercised its right to make oral representations to the FSA at a meeting with the Regulatory Decisions Committee on 11 February 2003. Having had regard to those representations, the FSA nevertheless concluded that there was no basis on which to rescind the variation action.

HPA exercised its right to make a reference, about the matters contained in the First Supervisory Notice, to the Financial Services and Markets Tribunal ("the Tribunal") on 25 February 2003. The Chairman of the Tribunal gave a direction on 6 March 2003, dismissing HPA's application for the suspension of the variation action, and a further direction on 30 July 2003 dismissing HPA's reference.

By a Second Supervisory Notice dated 9 September 2003, the FSA gave you notice that it had decided that there was no basis to rescind the variation action, and reminded you that you had a further right to make a reference to the Tribunal. You did not refer the matter to the Tribunal within 28 days of the date on which the Second Supervisory Notice was given to you.

There no longer being any regulated activities for which HPA had permission, and the FSA being satisfied that it was no longer necessary to keep HPA's Part IV permission in force, the FSA was under a duty to cancel HPA's Part IV permission and therefore gave you the Decision Notice.

You have not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was given to you. Accordingly, the FSA has today cancelled HPA's Part IV permission.

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 Contacts

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

Julia Dunn
Group Leader
FSA Enforcement Division