

FINAL NOTICE – SUMMARY OF CONTENTS

Date of Issue: 3 March 2004

Mr Christopher Neil Woodgate

The FSA has refused an application for the approval of Mr Woodgate to perform the controlled function of corporate finance adviser with an investment management firm as it was not satisfied that he was a fit and proper person to perform this function for the firm concerned.

In August 2000, Mr Woodgate was removed from all registers by the Securities and Futures Authority after being found to have breached principles in relation to integrity, fair dealing and conflicts of interest. The firm of which he was chairman and chief executive - ICE Securities Ltd ("ICE") – was severely reprimanded and fined £1,000,000. The disciplinary action resulted from Mr Woodgate's conduct in acting as stockbroker and adviser to a private firm and its three directors.

In 1995, ICE arranged for the private firm a first placing of 289 shares, which raised less than expected (\$3,460 per share) due to market conditions. In March 1996, ICE agreed to sell 500 shares on behalf of the directors as their agent. Between February and April 1996, ICE was making a quasi-market in the private firm's shares in preparation for a second placing and the price at which shares were trading increased from \$5,000 to \$19,000. Mr Woodgate agreed with ICE's dealing director that ICE should buy the directors' shares at \$3,900 each, waiving any commission, and then offer the shares to the market at \$18,000 each. They did so without advising the directors that the market price had risen.

ICE and Mr Woodgate appealed to the SFA Disciplinary Appeals Tribunal. Mr Woodgate argued that his conduct had met the SFA's standards, and that he had fulfilled his duties to the directors. The Appeals Tribunal expunged a fine that had been imposed on Mr Woodgate by the SFA but upheld the remainder of the sanctions against both parties.

During the recent application process, it was argued that Mr Woodgate's misconduct amounted to a "momentary lapse that occurred seven years ago", and that Mr Woodgate was

now repentant. The FSA considered that, in continuing to maintain that he had acted in accordance with regulatory standards until the conclusion of the appeals process, Mr Woodgate had failed to recognise the seriousness of his misconduct. It was also not satisfied that he did now genuinely recognise this.

In light of the matters set out above, the FSA has concluded that it is unable to satisfy itself that Mr Woodgate is a fit and proper person to perform the controlled function to which the application related.

Mr Woodgate did not refer the matter to the independent Financial Services and Markets Tribunal.