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## **SECOND SUPERVISORY NOTICE**

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To:           **Alpha Delta**  
Of:           **Delta House**  
              **Ash Hill Crescent**  
              **Hatfield**  
              **Doncaster**  
              **DN7 6QU**

Dated:       **21 February 2003**

**TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (“the FSA”) has decided to take the following action**

**1. ACTION**

For the reasons set out below, the FSA has decided not to rescind the variation of the permission granted to Alpha Delta (“Alpha”) under Part IV of the Financial Services and Markets Act (“the Act”) effected by the First Supervisory Notice issued on 19 December 2002 (“the First Supervisory Notice”), namely by removing all regulated activities on 28 February 2003.

**2. REASONS FOR ACTION**

The FSA concluded, on the basis of the facts and matters described in the First Supervisory Notice, that Alpha was failing to satisfy the threshold conditions set out in Schedule 6 to the Act in that, in the opinion of the FSA, Alpha had failed to ensure that its business was conducted with integrity and in compliance with proper standards, or to pay due regard to the interests of its customers.

Alpha exercised its right to make representations to the FSA which were considered at a meeting of the Regulatory Decisions Committee on 19 February 2003. In particular, Alpha submitted that it had made efforts to comply with the Personal Investment Authority Ombudsman Award ("the Award") and the Order of the Disciplinary Committee of the Personal Investment Authority ("the Order"), which required calculation of loss and payment of redress for a specific investor, but was prevented from complying with the Award and the Order because of delays for which Alpha was not responsible.

The FSA does not accept those submissions. In particular the FSA believes that Alpha had reasonable opportunity to comply with the Award and the Order but has failed to do so.

The FSA has, therefore, concluded that there is no basis on which to rescind the variation of Alpha's Part IV permission effected by the First Supervisory Notice.

### **3. DECISION MAKER**

The decision which gave rise to the obligation to give this Supervisory Notice was made by the Regulatory Decisions Committee.

### **4. IMPORTANT**

This Supervisory Notice is given to you in accordance with section 53(7) of the Act.

#### **The Tribunal**

You may refer this matter to the Financial Services and Markets Tribunal ("the Tribunal"). Under section 133 of the Act, you have 28 days from the date you were sent this Supervisory Notice to refer the matter to the Tribunal or such other period as specified in the Tribunal Rules or as the Tribunal may allow. A reference to the Tribunal is made by way of a written notice signed by you and filed with a copy of this notice. The Tribunal's address is: 15-19 Bedford Avenue, London WC1B 3AS (telephone 020 7612 9700). The detailed procedures for making a reference to the Tribunal are contained in section 133 of the Act and the Tribunal Rules.

You should note that the Tribunal Rules provide that at the same time as filing a reference notice with the Tribunal, you must send a copy of the notice to the FSA. Please send the copy notice to John Bolton at the FSA, 9<sup>th</sup> Floor, 25 The North Colonnade, Canary Wharf, London E14 5HS.

#### **FSA contacts**

For more information concerning this matter, you should contact John Bolton at the FSA (direct line: 020 7676 5384 /fax: 020 7676 5385).

Sir Leonard Peach  
Deputy Chairman, Regulatory Decisions Committee