
FIRST SUPERVISORY NOTICE

To: Rafiu Adisa Akanbi, trading as Rafin Adisa Akanbi
Of: 15a Nelson Road, Greenwich, London SE10 9JB
Date: 11 March 2008

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

1. ACTION

1.1. For the reasons listed below and pursuant to section 45 of the Financial Services and Markets Act 2000 (“the Act”), the FSA has decided to vary the permission granted to you, Rafiu Adisa Akanbi, trading as Rafin Adisa Akanbi (“Rafiu Akanbi”), pursuant to Part IV of the Act (“your permission”) by removing all regulated activities with immediate effect. Accordingly, your permission no longer includes the following regulated activities:

- (1) advising on regulated mortgage contracts;
- (2) agreeing to carry on a regulated activity;
- (3) arranging (bringing about) regulated mortgage contracts;
- (4) making arrangements with a view to regulated mortgage contracts;
- (5) advising (ex Pension Transfers/Opt Outs);

- (6) arranging (bringing about) deals in investments;
- (7) dealing in investments as agent;
- (8) making arrangements; and
- (9) assisting in administration of insurance.

2. REASONS FOR ACTION

Summary

- 2.1. The FSA has concluded, on the basis of the facts and matters described below, that you are failing, and will continue to fail, to satisfy the threshold conditions set out in Schedule 6 to the Act (“the Threshold Conditions”) in that the FSA is not satisfied that you are a fit and proper person having regard to all the circumstances.
- 2.2. You have failed to comply with Principle 1 and Principle 11 of the FSA’s Principles for Business. Principle 1 states that a firm must conduct its business with integrity and Principle 11 that a firm must deal with its regulators in an open and co-operative way.. Furthermore, you have failed, and are likely to continue to fail to conduct your business with integrity and in compliance with proper standards. As such you are failing and are likely to continue to fail to satisfy Threshold Condition 5 (Suitability).
- 2.3. The FSA is investigating circumstances suggesting that you submitted at least 18 applications to mortgage lenders that included false income and employment details, of which 16 were also supported by false identification documents, including passports, driving licences and utility bills.
- 2.4. You have failed repeatedly to co-operate with the FSA's investigation, by failing to comply with requests for information and documents and by failing to attend for interview to answer questions.
- 2.5. The FSA considers, on the basis of its serious concerns about you and the ongoing risk that you pose, that it is necessary in support of the FSA's financial crime, consumer protection and market confidence objectives for the action specified above to take immediate effect.

3. RELEVANT STATUTORY PROVISIONS AND OTHER REGULATORY PROVISIONS

3.1. The FSA's regulatory objectives, established in section 2(2) of the Act, include consumer protection and the reduction of financial crime.

3.2. By section 45 of the Act, the FSA is authorised:

(1) to vary an authorised person's permission, where the authorised person is failing or is likely to fail to satisfy the Threshold Conditions or where it is desirable to exercise that power in order to protect the interests of consumers or potential consumers; and

(2) to vary such permission by removing a regulated activity from those for which the permission is given.

3.3. Section 53(3) of the Act allows such a variation to take effect immediately if the FSA reasonably considers that it is necessary for the variation to take effect immediately.

3.4. Threshold Condition 5, in Schedule 6 to the Act, states that you must satisfy the FSA that you are a fit and proper person having regard to all the circumstances, including your connection with any person, the nature of the regulated activity that you carry on and seek to carry on and the need to ensure that your affairs are conducted soundly and prudently.

The FSA's policy for exercising its own-initiative power to vary a Part IV permission

3.5. The FSA's policy for exercising its own initiative power to vary a Part IV permission is set out in the Enforcement Guide ("EG"). The main considerations in relation to the action specified above are set out below.

3.6. Paragraph 8.5(1) of EG indicates that the FSA will consider varying a firm's Part IV permission in support of its enforcement function in circumstances where it has serious concerns about a firm, or about the way its business is being or has been conducted, including where it appears that the firm is failing or is likely to fail to satisfy the threshold conditions relating to one or more of its regulated activities

because, for example, the firm is not fit and proper because it has not conducted its businesses in compliance with high standards.

- 3.7. Paragraph 8.7(1) and 8.7(2) of EG indicate that the FSA will consider exercising its own initiative power as a matter of urgency where the information available to it indicates serious concerns about the firm or its business which need to be addressed immediately and where circumstances indicate that it is appropriate to use statutory powers immediately to require and/or prohibit certain actions by the firm in order to ensure the firm addresses these concerns.
- 3.8. Paragraph 8.8 of EG gives examples of situations that will give rise to such serious concerns which include:
- (1) information indicating significant loss, risk of loss or other adverse effects for consumers, where action is necessary to protect their interests;
 - (2) information indicating that a firm's conduct has put it at risk of being used for the purposes of financial crime, or of being otherwise involved in crime;
 - (3) evidence the firm has submitted to the FSA inaccurate or misleading that information so that the FSA becomes seriously concerned about the firm's ability to meet its regulatory obligations;
 - (4) circumstances suggesting a serious problem within a firm or with a firm's controllers that calls into question the firm's ability to continue to meet the threshold conditions.

Guidance concerning the relevant Threshold Conditions

COND 2.5 - Threshold Condition 5: Suitability (paragraph 5, Schedule 6 to the Act)

- 3.9. Paragraph 2.5.1D reproduces the relevant statutory provision that the person concerned must satisfy the FSA that he is a fit and proper person having regard to all the circumstances, including, among other things, the need to ensure that his affairs are conducted soundly and prudently.

- 3.10. Paragraph 2.5.4G(2)(a) requires the FSA, when forming its opinion as to whether an authorised person is conducting its affairs soundly and prudently, to have regard to relevant matters, including whether it conducts its business with integrity and in compliance with proper standards.
- 3.11. Paragraph 2.5.4G(3) requires the FSA only to take into account relevant matters which are significant in the context of the suitability of the firm.
- 3.12. Paragraph 2.5.6G permits the FSA, when forming its opinion as to whether an authorised person is conducting its business with integrity and in compliance with proper standards, to have regard to relevant matters, including whether:
- (1) the firm has been open and co-operative in all its dealings with the FSA and is ready and willing to comply with the requirements and standards under the regulatory system (COND 2.5.6G(1));
 - (2) whether the firm has contravened any provisions of the Act or the requirements of the regulatory system, which includes the threshold conditions and the FSA Principles and other rules (COND 2.5.6G(4));

Relevant Principles

- 3.13. Principle 1 of the FSA's Principles for Businesses requires that a firm must conduct its business with integrity.
- 3.14. Principle 11 requires that a firm must deal with its regulators in an open and co-operative way, and must disclose to the FSA anything relating to the firm of which the FSA would reasonably expect notice.

4. FACTS AND MATTERS RELIED ON

Background

- 4.1. You are a sole trader mortgage and general insurance intermediary based at 15A Nelson Road, Greenwich, London, SE10 9JB.
- 4.2. You became authorised on 31 October 2004 to carry on the following regulated activities:

- (1) advising on regulated mortgage contracts;
- (2) agreeing to carry on a regulated activity;
- (3) arranging (bringing about) regulated mortgage contracts;
- (4) making arrangements with a view to regulated mortgage contracts;
- (5) advising (ex Pension Transfers/Opt Outs);
- (6) arranging (bringing about) deals in investments;
- (7) dealing in investments as agent;
- (8) making arrangements; and
- (9) assisting in administration of insurance.

4.3. You completed 28 mortgage sales between April 2005 and 30 November 2007. Four mortgage applications were completed in 2007.

False mortgages

4.4. The FSA received information from a lender that mortgage applications submitted by you were supported by suspected false documents and that you had been removed from the lenders' panel.

4.5. The FSA reviewed a sample of 18 cases submitted by you to four different lenders.

4.6. For example, in relation to two mortgage applications submitted by you, it appeared highly likely that you were knowingly involved in the submission of application forms supported by false documents.

4.7. In summary, you submitted mortgage applications for two different customers supported by copies of their driving licences for identification. The same photograph appeared on both driving licences. Customer A's driving licence was certified as a true copy of the original on 28 July 2006. On 24 August 2006, customer B's driving licence was certified as a true copy of the original. The same address was stated on the applications for both of the customers but their dates of birth were different, ruling

out the possibility of them being twins. The applications were submitted by you to different lenders.

4.8. The FSA checked the authenticity of the identification documents and other supporting information relied on in support of 18 other mortgage applications. We found that:

- (1) nine applications were supported by false driving licences;
- (2) three applications were supported by false passports;
- (3) four applications were supported by a false utility bills; and
- (4) fifteen of the applications included false income and employment details.

Failure to co-operate with the FSA

4.9. You failed repeatedly to co-operate with the FSA's investigation.

- (1) On 17 September 2007, the FSA served a notice of appointment of investigators to you at the last business address notified to the FSA. No response was received from you.
- (2) On 11 October 2007, the FSA sent you an e-mail asking you to contact the FSA as a matter of urgency. No response was received.
- (3) On 12 October 2007, the FSA sent you a letter compelling you to provide 18 client files by 26 October 2007. You failed to produce the required documents and did not provide a reason for this failure to comply.
- (4) On 29 October 2007, the FSA sent a further letter compelling Rafin Akanbi to provide the same documents by 6 November 2007. Rafin Akanbi failed again to produce the required documents.
- (5) On 7 November 2007, the FSA sent you a further letter compelling you to provide the requested documents by 14 November 2007. You failed to

respond and, at the date of this Notice, you have failed to provide the required documents.

- (6) On 29 October 2007, the FSA sent you a letter compelling you to attend for interview at the FSA's offices at 10am on 13 November 2007.
- (7) You failed to attend for interview. The FSA rescheduled the interview and sent you a second letter on 14 November 2007 compelling you to attend for interview at 10am on 20 November 2007.
- (8) You failed to attend again for interview and, on 21 November 2007, the FSA sent you a letter compelling you to attend for interview at 2pm on 30 November 2007. You failed to attend.
- (9) Many attempts have been made to contact you. Your office telephone number now appears to be a vacant number and you have not replied to any of our correspondence. You continued to submit mortgage business during this period.
- (10) You failed to notify the FSA that you were the subject of a County Court Judgement dated 29 July 2002.
- (11) You also failed to notify the FSA that you had been removed from a lender's panel.

5. CONCLUSIONS

- 5.1. The facts and matters described above lead the FSA, having regard to its regulatory objectives, which include maintaining confidence in the financial system and the reduction of financial crime, to the following conclusions.
- 5.2. The facts and matters described above lead the FSA to the conclusion that you have failed to co-operate with the FSA's investigation into circumstances suggesting that you have submitted mortgage applications containing false and/or misleading information, and you have failed to disclose material information about yourself to the FSA.

- 5.3. These matters are material in relation to your permitted regulated activities and you are therefore failing and likely to continue to fail to satisfy Threshold Condition 5 (Suitability)
- 5.4. The FSA has therefore concluded that the exercise of its own-initiative power to vary your Part IV permission, by removing all regulated activities, with immediate effect, is an appropriate response to these concerns.

6. DECISION MAKER

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

7. IMPORTANT

- 7.1. This First Supervisory Notice is given to you in accordance with section 53(4) of the Act. The following statutory rights are important.

The Tribunal

- 7.2. 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.
- 7.3. 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. Any copy notice should be sent to Chris Walmsley at the FSA, 9th Floor, 25 The North Colonnade, Canary Wharf, London E14 5HS.

Representations

- 7.4. You have the right to make written and oral representations to the FSA (whether or not you refer this matter to the Tribunal). If you wish to make written representations you must do so by 16 April 2008 or such later date as may be permitted by the FSA. Written representations should be made to the Regulatory Decisions Committee and sent to Jane Horncastle, Regulatory Decisions Committee Professional Support Services. The Regulatory Decisions Committee Professional Support Services' address is: 25 The North Colonnade, Canary Wharf, London E14 5HS. If you wish to make oral representations, you should inform Jane Horncastle on or before 25 March 2008.

Access to evidence

- 7.5. Section 394 of the Act does not apply to this Supervisory Notice.

Confidentiality and publicity

- 7.6. You should note that this Supervisory Notice may contain confidential information and should not be disclosed to a third party (except for the purpose of obtaining advice on its contents). You should also note that section 391 of the Act requires the FSA when the Supervisory Notice takes effect, to publish such information about the matter as it considers appropriate.

FSA contacts

- 7.7. If you have any questions regarding the procedures of the Regulatory Decisions Committee, you should contact either Jane Horncastle (direct line: 020 7066 3200/fax: 020 7066 3201), or Jackie Noonan, RDC Professional Support Services (direct line: 020 7066 3074/fax: 020 7066 3075).
- 7.8. For more information concerning this matter generally, you should contact Chris Walmsley at the FSA (direct line: 020 7066 5894/fax: 020 7066 5895) of the FSA.

Tim Herrington
Chairman, Regulatory Decisions Committee

