
FIRST SUPERVISORY NOTICE

To: **Gordon Benville trading as Kingsfield**

FSA ref: **313951**

Of: **Suite Three
6 Broad Street
Deal
Kent CT14 6ER**

Date: **15 October 2007**

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, Gordon Benville, trading as Kingsfield, 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 (ex Pension Transfers/Opt Outs);
- (2) Advising on regulated mortgage contracts;
- (3) Agreeing to carry on a regulated activity;
- (4) Arranging deals in investments;
- (5) Assisting in administration of insurance;
- (6) Dealing in investments as agent;
- (7) Making arrangements.

1.2. The FSA has also decided to pursuant to sections 43, 45 and 48 of the Act to impose a requirement such that all assets held by you, Gordon Benville, as the authorised person, trading as Kingsfield, may not, so long as the requirement is in force, be dealt with or disposed of, with immediate effect.

1.3. This asset requirement does not apply to prevent the transfer of an asset which is transferred with the prior written consent of the FSA or with the prior written consent of such person as may be appointed by the FSA for this purpose.

2. REASONS FOR ACTION

2.1. On 11 October 2007, the FSA received information from Kent Police that you, Gordon Benville are currently on bail for offences of theft and deception. It is alleged that you re-mortgage properties for customers and get them to sign incomplete mortgage applications telling the customers that you have all the details and can fill them in later. Information subsequently entered on mortgage applications by you, such as the applicants’ salaries and occupation, is false.

2.2. In each case, a higher loan figure for the customer is entered than the one required by the client. You then tell the customer that there has been a mistake and they give you a cheque to return the balance to the lender but you do not pass on the money to the lender.

2.3. Kent Police are aware of at least six customers (including elderly customers) who have suffered financial losses and other detriment as a result of your action. Kent Police said that, despite being arrested, you are continuing to advertise for business. Kent Police estimated that you have obtained at least £400,000 from customers in this way and that you pose an ongoing risk to customers.

2.4. The FSA has concluded, on the basis of the facts and matters described below, that it is desirable in the interests of protecting consumers and potential customers to vary your Part IV permission to remove all regulated activities with immediate effect.

3. RELEVANT STATUTORY PROVISIONS, GUIDANCE AND RULES

- 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:
 - to vary an authorised person's permission, where it is desirable to exercise that power in order to protect the interests of consumers or potential consumers; and
 - to vary such permission by removing a regulated activity from those for which the permission is given.
- 3.3. By section 43(2) of the Act, the FSA may impose a requirement on an authorised person.
- 3.4. Section 48 of the Act applies if the FSA varies an authorised person's Part IV permission to impose an assets requirement on him.
- 3.5. 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.

Relevant Guidance

- 3.6. In exercising its power to vary a Part IV permission, the FSA must have regard to guidance published in Enforcement Guidance ("EG"). The main considerations in relation to the action specified above are set out below.
- 3.7. Paragraph 8.5(2) 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 interests of consumers are at risk because the firm appears to have breached any of Principles 6 to 10 of the FSA's Principles for Businesses to such an extent that it is desirable that limitations, restrictions or prohibitions are placed on the firm's regulated activity.
- 3.8. Paragraph 8.7(1) of EG indicates 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 that need to be addressed immediately.
- 3.9. Paragraph 8.7(2) of EG indicates that the FSA will consider exercising its own initiative power as a matter of urgency 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.
- 3.10. 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; and

(2) information indicating that a firm's conduct has put it at risk of being used for the purposes of financial crime or of otherwise being involved in crime.

3.11. Principle 6 of the FSA's Principles for Businesses requires that a firm must pay due regard to the interests of its customers and treat them fairly.

4. FACTS AND MATTERS RELIED ON

4.1. The facts and matters relied upon are set out in an e-mail dated 11 October 2007 from Martin Bradbeer of Kent Police to the FSA (and a note made by the FSA dated 9 October 2007 of a conversation with Martin Bradbeer of Kent Police).

5. DECISION MAKER

5.1 The decision which gave rise to the obligation to give this First Supervisory Notice was made by a Deputy Chairman of the Regulatory Decisions Committee.

6. IMPORTANT

6.1. 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

6.2. 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.

6.3. 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

6.4. 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 19 November 2007 or such later date as may be permitted by the FSA. Written representations should be made to the Regulatory Decisions Committee and sent to Jackie Noonan, 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 Jackie Noonan not less than 5 business days before 19 November 2007.

Access to evidence

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

Confidentiality and publicity

- 6.6. 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

- 6.7. If you have any questions regarding the procedures of the Regulatory Decisions Committee, you should contact Jackie Noonan (direct line: 020 7066 3074/fax: 020 7066 3199), Regulatory Decisions Committee Professional Support Services.
- 6.8. For more information concerning this matter generally, you should contact Chris Walmsley at the FSA (direct line: 020 7066 5894) of the FSA.

Elizabeth Filkin
Deputy Chairman, Regulatory Decisions Committee