
SECOND SUPERVISORY NOTICE

To: **Roger Jay Financial Services**
Of: **31 Princess Drive**
 Sawston
 Cambridge
 CB2 4DL
Dated: **29 November 2002**

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 Roger Jay Financial Services (“RJFS”) under Part IV of the Financial Services and Markets Act (“the Act”) effected by the First Supervisory Notice issued on 8 August 2002 (“the First Supervisory Notice”), namely by removing all regulated activities with immediate effect.

2. REASONS FOR ACTION

The FSA concluded, on the basis of the facts and matters described in the First Supervisory Notice, that RJFS was failing to satisfy the threshold conditions set out in Schedule 6 to the Act in that, in the opinion of the FSA, the resources of RJFS were not adequate in relation to the regulated activities it had permission to carry on. RJFS had failed to maintain any professional indemnity insurance (“PII”) cover since 13 December 2000.

RJFS exercised its right to make representations to the FSA at a meeting with the Regulatory Decisions Committee on 27 November 2002. In particular, RJFS submitted that either it was not required, or it should not be required, to maintain PII cover for business activities which it had ceased to carry on but in its view presented no insurable risk or which it had never carried even though the relevant activities were included in its Part IV permission.

The FSA does not accept those submissions. FSA Rule 13.13 continues on ongoing regulatory requirement that every authorised firm must maintain PII cover for all its business activities, including all past business. It is for the firm's insurers (not the firm itself nor the FSA) to judge, on the basis of full disclosure by the firm, whether any of such activities could present an insurable risk and to fix its premiums accordingly. RJFS had been offered PII cover on that basis in December 2000 but declined to accept it.

The FSA has, therefore, concluded that there is no basis on which to rescind the variation of RJFS' 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.

FSA contacts

For more information concerning this matter, you should contact Chris Walmsley at the FSA (direct line: 020 7676 5894 /fax: 020 7676 5895).

Christopher FitzGerald
Chairman, Regulatory Decisions Committee