
FINAL NOTICE

To: Mr Andrew Jeffery
Individual
Reference
Number: AXJ01251
Date of Birth: 13 January 1961
Date: 23 August 2013

ACTION

1. On 13 July 2010 the Authority gave Mr Jeffery a Decision Notice which notified him that it had decided to:
 - (a) impose a financial penalty of £150,000 for breaches of Statements of Principle 1 and 4 in the relevant period pursuant to section 66 of the Act; and
 - (b) make an order, pursuant to section 56 of the Act, prohibiting Mr Jeffery from carrying out any function in relation to any regulated activity carried on by an authorised or exempt person or exempt professional firm.

2. On 17 September 2010 Mr Jeffery referred this decision to the Tribunal. The Tribunal, in a written decision dated 27 June 2013, http://www.tribunals.gov.uk/financeandtax/Documents/decisions/Jeffery_v_fca.pdf, determined that the Authority should impose a financial penalty of £150,000 on Mr Jeffery for breaches of Statements of Principle 1 and 4 and that he should be prohibited from carrying out any function in relation to any regulated activity carried on by an authorised or exempt person or exempt professional firm, on the grounds that he is not a fit and proper person. The prohibition order is effective from 23 August 2013.

SUMMARY OF REASONS

3. Mr Jeffery's misconduct occurred whilst he was acting as the sole director and only approved person at Jeffery Flanders (Consulting) Limited, an insurance intermediary.
4. As set out more fully in the Tribunal's decision, during the relevant period, the Tribunal found that Mr Jeffery was in breach of Statements of Principle 1 and 4, as he did not act with integrity and deal with the Authority in an open and cooperative way. The Tribunal also found that Mr Jeffery was not a fit and proper person, and posed a serious risk to clients, to other parties dealing with him and to the integrity of, and confidence in, the financial system.

5. Mr Jeffery's misconduct included the following:
- (a) orchestrating the process of the creation and sending of letters to insurers in the name of three clients and falsely representing the true position with the intention and effect of deceiving insurers;
 - (b) forging, or arranging to be forged, a client's signature on a proposal form to a new insurer;
 - (c) failing to effect insurance for a number of clients, and/or failing to inform them of the true position;
 - (d) acting with a lack of integrity in his dealing with an insurance company and clients in the matter of a risk appraisal of the clients' property;
 - (e) making false statements to the Authority at a time he knew they were false when he made them; and
 - (f) failing to deal with the Authority in an open and co-operative way and failing to disclose appropriately information of which the Authority would reasonably expect notice.
6. The Tribunal's conclusions include the following passage:

" In our view Mr Jeffery displayed a wholly unacceptable lack of integrity in his dealings with the clients whose cases we have considered, and with other professionals in the insurance market. Far from demonstrating a high standard of conduct, his conduct was of the basest standard. He had a reckless disregard for the interests of his clients, which came a very poor second to his own". (paragraph 420).

DEFINITIONS

7. The definitions below are used in the Final Notice:
- (a) the "Act" means the Financial Services and Markets Act 2000;
 - (b) the "Authority" means the body corporate previously known as the Financial Services Authority and renamed on 1 April 2013 as the Financial Conduct Authority;
 - (c) the "relevant period" means between 14 January 2005 and 23 October 2009;
 - (d) the "Statements of Principle" mean the Authority's Statements of Principle and Code of Conduct for Approved Persons; and
 - (e) the "Tribunal" means the Upper Tribunal (Tax and Chancery Chamber).

PROCEDURAL MATTERS

8. This Final Notice is given under, and in accordance with, section 390 of the Act.

Manner of and time for Payment

9. The financial penalty must be paid in full by Mr Jeffery to the Authority by no later than 6 September 2013, 14 days from the date of the Final Notice.

If the financial penalty is not paid

- 10. If all, or any, of the financial penalty is outstanding on 6 September 2013, the Authority may recover the outstanding amount as a debt owed by Mr Jeffery and due to the Authority.

Publicity

- 11. Sections 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this notice relates. Under those provisions, the Authority must publish such information about the matter to which this notice relates as the Authority considers appropriate. The information may be published in such manner as the Authority considers appropriate. However, the Authority may not publish information if such publication would, in the opinion of the Authority, be unfair to Mr Jeffery or prejudicial to the interests of consumers or detrimental to the stability of the UK financial system.
- 12. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority contacts

- 13. For more information concerning this matter generally, contact Rachel West or Andrew Baum at the Enforcement and Financial Crime Division of the Authority.

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Bill Sillett
Head of Department, Retail
Enforcement and Financial Crime Division