

# Financial Services bosses banned for trading while insolvent

The press notice has been updated after one of the company's director has had their disqualification spent, resulting in their details being removed.

Paul Rossi (53), also known as Paolo Rossi, was a director of Independent Derivative Traders Ltd. The company traded as 'Futex' and provided access to a financial markets trading platform for sub-contracted independent traders.

Paul Rossi was joined in the management of the company by Paul's brother Mark Rossi (51), also known as Marco Rossi, and Daniel Michael Goldberg (42).

Independent Derivative Traders was incorporated in March 1995 but 11 years later in February 2016, the company was insolvent due to difficult trading conditions and increased running costs, which meant it could not meet all of its liabilities.

The directors received professional advice that all of Independent Derivative Traders' creditors should be treated equally and the directors had an obligation to look after its creditors' interests and not to worsen their position.

However, despite Independent Derivative Traders being insolvent, the company obtained deposits from two new traders totalling £75,000, which were then used in general trading, while also paying-out over £79,000 to Paul and another director, as well as to an associated company. This was contrary to the advice given and detrimental to their creditors.

The company went into liquidation in November 2016 and the Secretary of State has since accepted disqualifications undertakings from Mark Rossi (eight years), Paul Rossi (six years) and Daniel Goldberg (three and a half years) for their various roles in causing or allowing the company to take money from clients and make self-serving payments while being insolvent.

Daniel Goldberg's ban started on 11 September 2018, while Mark and Paul's disqualifications are effective in February 2019 and their disqualifications mean the directors are banned from directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company.

David Brooks, Chief Investigator of at the Insolvency Service, said:

When the company became insolvent, the directors were specifically instructed not to do anything that was detrimental to creditors. However, they decided to completely disregard that advice, putting their creditors at risk.

These disqualifications should serve to further underline that such behaviour is unacceptable and we will seek disqualifications against those directors that do not uphold their duties.

### **Disqualification details**

Independent Derivative Traders Ltd (Company number: 03038982). Previous Trading Address: 6th Floor Harmsworth House, 13-15 Bouverie St, London EC4Y 8DP

Paul Rossi's date of birth is in December 1965 and he resides in Poland. Mark Rossi's date of birth is in July 1967 and he resides in Leatherhead, Surrey. The Secretary of State has accepted disqualifications undertakings from Mark and Paul Rossi for periods of 8 years and 6 years respectively on 18 January 2019. The disqualifications are due to commence on 8 February 2019. The matters of unfitness that Paul and Mark Rossi did not dispute were:

"I caused Independent Derivative Traders Ltd ("IDT") from 22 February to 5 April 2016 to make net transactions of approximately £79,184, to the benefit of Paul Rossi and associated parties and the comparative detriment of un-associated creditors, whilst I knew, or ought to have known, that IDT was insolvent and after IDT had received professional advice that all creditors should be treated equally."

"I caused [Paul Rossi: "allowed"] Independent Derivative Traders Ltd ("IDT") from 14 April to 12 May 2016 to obtain deposits of £75,000 from 2 customers, to their unreasonable risk and ultimate detriment, whilst I knew, or ought to have known, that IDT was insolvent and after it had received professional advice that IDT's directors had an overriding obligation to look after the interests of its creditors and not to worsen their position."

Daniel Michael Goldberg date of birth is August 1976 and he resides in Houghton Regis, Bedfordshire. The Secretary of State has accepted an undertaking from Mr Goldberg on 21st August 2018 for a period of 3 years and 6 months. The disqualification commenced on 11th September 2018. The matters of unfitness that Mr Goldberg did not dispute were:

"I abrogated my duties as a director of Independent Derivative Traders Ltd ("IDT") from 14 April to 12 May 2016. In this period it obtained deposits of approximately £75,000 from 2 customers , to their unreasonable risk and ultimate detriment, whilst I knew, or ought to have known, that IDT was insolvent and after IDT had received professional advice; both that its directors had an overriding obligation to look after the interests of its creditors and not to worsen their position"

### **About disqualifications**

A disqualification order has the effect that without specific permission of a court, a person with a disqualification cannot:

- act as a director of a company
- take part, directly or indirectly, in the promotion, formation or

- management of a company or limited liability partnership
- be a receiver of a company's property

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings.

Persons subject to a disqualification order or undertaking are bound by a range of [other restrictions](#).

The Insolvency Service administers the insolvency regime, investigating all compulsory liquidations and individual insolvencies (bankruptcies) through the Official Receiver to establish why they became insolvent. It may also use powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK. In addition, the agency deals with disqualification of directors in corporate failures, assesses and pays statutory entitlement to redundancy payments when an employer cannot or will not pay employees, provides banking and investment services for bankruptcy and liquidation estate funds and advises ministers and other government departments on insolvency law and practice.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

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