Financial Services Authority

FINAL NOTICE

To: **Redcats (Brands) Limited**

Of: **18 Canal Road**
Bradford
West Yorkshire
BD99 4XB

Date: 20 December 2006

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (the FSA) gives you final notice about a requirement to pay a financial penalty:

1. THE PENALTY

1.1. The FSA gave Redcats (Brands) Limited (Redcats) a Decision Notice on 18 December 2006 which notified Redcats that pursuant to section 206 of the Financial Services and Markets Act 2000 (FSMA), the FSA had decided to impose a financial penalty of £270,000 on Redcats because it considers that from 14 January 2005 to 13 July 2006 (the relevant period) it breached Principles 2, 3 and 6 of the FSA's Principles for Businesses (the Principles) in relation to the sale of payment protection insurance (PPI) policies.

1.2. Redcats confirmed on 15 December 2006 that it will not be referring the matter to the Financial Services and Markets Tribunal.

1.3. Accordingly, for the reasons set out below and having agreed with Redcats the facts and matters relied on, the FSA imposed a financial penalty on Redcats in the amount of £270,000.

1.4. Redcats agreed to settle this matter at an early stage of the proceedings. It therefore qualified for a 30% reduction in penalty pursuant to the FSA's executive settlement procedures.[1] Were it not for this discount the FSA would have sought to impose a financial penalty of £386,000 on Redcats.

1.5. In addition to the Principle breaches, the following rules are also relevant:

(1) in the part of the FSA Handbook (the Handbook) entitled Training and Competence (TC) TC2.4.5(1)R, TC2.6.1R and TC2.8.1R; and

(2) in the part of the Handbook entitled Insurance: Conduct of Business (ICOB) 4.3.1R, 4.3.2R, 4.4.1R, 4.4.7R and 5.5.14R.

2. REASONS FOR THE ACTION

2.1. The FSA imposes a financial penalty on Redcats for breaches of the Principles and Rules referred to in paragraph 1. These breaches relate to failures by Redcats in relation to the sale of PPI. These breaches, which are described in more detail at section 5 below, relate to Redcats' failure:

(1) to conduct its business with due skill, care and diligence in breach of Principle 2;

(2) to take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems in breach of Principle 3; and

(3) to pay due regard to the interests of its customers and treat them fairly in breach of Principle 6.

2.2. The following failings in respect of Redcats' dealings with customers were identified:

(1) there were serious weaknesses in implementing, operating and maintaining adequate systems and internal controls, particularly in relation to its compliance arrangements, the monitoring of PPI sales channels, its risk management systems, its training and competence arrangements and its arrangements for treating customers fairly;

(2) it failed appropriately to disclose all exclusions and limitations of the PPI policy and it did not provide recommendations and statements of demands and needs that were specifically tailored to customers' needs;

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[1] Chapter 13.7 of the Enforcement Manual (ENF) contains guidance on discounts for early settlement.

(3) it failed adequately to consider key eligibility criteria and ensure that sufficient information was obtained from customers to assess suitability before recommending a PPI policy; and

(4) despite representing that it was selling PPI on an advised basis, it failed to ensure that its sales complied with the FSA's requirements for advised sales, which meant that it could not ensure its customers were treated fairly.

2.3. The FSA views Redcats' failings as particularly serious, because:

(1) a significant number of customers were provided with insufficient information about the PPI policy features, terms, exclusions and limitations through its telephone sales channel. In some instances customers may have agreed to purchase the policy but were unaware that they could not claim under certain parts of the policy;

(2) despite stating that its sales were made on an advised basis, it failed to comply with the regulatory requirements for advised sales. As a result a significant number of customers were sold PPI without being provided with personal recommendations or advice, either verbally or in writing, as to why the PPI policy met their demands and needs;

(3) there were weaknesses in the way that Redcats operated and maintained its compliance systems, training and competence arrangements and sales processes; and

(4) Redcats only discovered certain deficiencies in its advised sales process as a result of the FSA thematic visit rather than through the operation of its systems, procedures and internal reviews. Whilst Redcats identified certain other deficiencies through its internal PPI reviews, recommendations from these reviews were not implemented promptly or efficiently until after the FSA thematic visit because it incorrectly assumed that it was more appropriate to delay implementation until after the visit had occurred.

2.4. As a result, approximately 160,100 customers were sold PPI, which may not have been suitable for their individual needs.

2.5. In determining the level of the financial penalty, the FSA has recognised a number of measures taken by Redcats which mitigate the seriousness of the failings. These are:

(1) engaging an independent consultant to review, produce individual reports and assist in the implementation of changes to its compliance arrangements and systems, its arrangements for treating customers fairly, its training and competence regime and its sales process;

(2) committing to a remedial action plan. The plan involves increasing its compliance resources, conducting various customer contact exercises and questionnaires and redress where appropriate;

(3) co-operating fully with the FSA and moving quickly to agree the facts and efficiently resolve the case. Without this level of co-operation the financial penalty would have been higher; and

(4) voluntarily suspending all new PPI sales in order to implement a compliant sales process, shortly after the commencement of the FSA investigation. During the suspension, a total of 279 customers were able to apply for PPI as a result of system anomalies. The customers affected were not disadvantaged.

3. BACKGROUND

3.1. Redcats has been authorised by the FSA since 14 January 2005. It is an authorised person under FSMA with permissions granted for the regulated activities of advising on and arranging non investment insurance contracts. Redcats specialises in home shopping and offers a range of merchandise through a distribution network of catalogues and internet shopping.

3.2. Either at the time merchandise is purchased or shortly thereafter, Redcats offers PPI to its customers through one of the following sales channels:

(1) during telephone calls from customers when the customer is opening a new account;

(2) during telephone calls to existing customers; and

(3) through internet and postal applications.

3.3. The PPI policy consists of life, disability, unemployment and hospitalisation cover. It is sold as a product which provides both PPI cover and merchandise cover (Total Cover). The Total Cover premium is paid on a periodic basis and is calculated as a fixed percentage of the outstanding balance on the customer's account.

3.4. The PPI cover is optional but cannot be purchased separately from the merchandise cover. However, Redcats offered particular customers merchandise cover as a stand alone product with a lower premium.

4. RELEVANT STATUTORY PROVISIONS

4.1. Section 206 of FSMA provides:

"If the Authority considers that an authorised person has contravened a requirement imposed on him by or under this Act, it may impose on him a penalty, in respect of the contravention, of such amount as it considers appropriate"

FSA Rules and Principles

4.2. The FSA's rule making power is set out in Chapter I of Part X of FSMA (Rules and Guidance). In accordance with the powers and provisions under this Part of FSMA the FSA has made Rules in respect of, amongst other things, training and competence and the conduct of insurance business.

4.3. The Principles are a general statement of the fundamental obligations of firms under the regulatory system. They derive their authority from the FSA's rule-making powers as set out in FSMA and reflect the FSA's regulatory objectives.

5. BREACHES OF THE PRINCIPLES

Breach of Principle 3

5.1. By reason of the facts and matters set out in paragraphs 5.2 to 5.17 below, Redcats breached Principle 3 of the Principles as it failed to take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems.

Failure to take reasonable care to establish effective compliance arrangements

5.2. During the relevant period, Redcats did not have clear and appropriate compliance reporting lines. There were no formal mechanisms in place to escalate issues of regulatory concern to senior management. No periodic compliance reports or annual compliance plans were produced or considered by senior management. There was limited recording of compliance issues and inadequate information to allow senior management to monitor the status and ongoing progress of compliance and regulatory risks. As a result, Redcats was not in a position to identify properly, measure and manage regulatory risks nor could it be sure that its senior management were fully aware of compliance risks as and when they arose.

5.3. Redcats did not have in place formal or documented compliance procedures which were adequate for its business. The specific responsibility and authority of its compliance function was not documented nor were key compliance duties and responsibilities defined. By failing to have adequate formal compliance measures, processes and arrangements it could not demonstrate that it was conducting its business in compliance with its regulatory obligations.

5.4. Redcats did not have a documented policy detailing what management information should be produced, the frequency with which it should be produced or how it should be used. Claims and complaints figures were reported to senior managers on a monthly basis but only on a quarterly basis to the Board Directors. The figures for claims specified the number rejected but did not include the reasons for rejection. Consequently no trend analysis was conducted to highlight unsuitable or ineligible sales. No information on the analysis of complaints made against individual advisers was produced and prior to 2006, no trend analysis of customers' reasons for cancelling PPI cover was conducted.

5.5. Redcats did not have a formal or central record keeping policy in respect of its internal decisions, policies and procedures applicable to its regulated business. This failure had an impact on senior management's ability properly to review decisions, procedures and internal policies.

5.6. Redcats failed to ensure its compliance manual and procedure manuals were sufficiently tailored to its business practices, were adequate for its business needs and contained all applicable FSA requirements for its business. In particular, it failed to include sufficient detail about its internal controls. Documented compliance measures, process and procedures are important as they demonstrate to the FSA how a firm monitors its compliance with regulatory requirements and how it will address any compliance breaches if and when they arise.

Failure to take reasonable care to adequately monitor compliance of PPI sales channels

5.7. Redcats did not establish and implement a comprehensive compliance monitoring program and it did not have in place adequate monitoring arrangements and controls to cover all aspects of its business and the FSA's regulatory requirements. The monitoring process involved listening to blocks of sales calls whilst completing a monitoring form. There was no documented guidance to support the monitoring form; it focused on assessing the product features rather than the regulatory risks. Monitoring forms were reviewed at least monthly to determine if any compliance issues had been identified. However, no central record amalgamating the issues and/or any compliance failings identified was maintained for trend analysis reporting.

5.8. Redcats failed to adopt a risk based approach to compliance monitoring. Prior to April 2006, Redcats failed to review eligibility and the disclosure of exclusions and limitations of the product. During the relevant period, Redcats also failed to review and monitor the way in which its sales advisers were assessing suitability during the course of the advised sale process.

5.9. The level of compliance monitoring undertaken did not focus on risk. Redcats' call monitoring was limited and insufficient as it did not consider the risk that each sales adviser posed to its business. Instead its monitoring was predominately focused on its trainee advisers. The limited monitoring conducted was not used to identify trends or to escalate compliance risks.

5.10. Redcats did not maintain central records or registers of breaches, with which to demonstrate how it monitored and reported on breaches in accordance with its regulatory requirements. It did not have systems and controls in place to allow it to review and monitor its historic calls records. As a result it could not identify poor selling practices and was not able properly to manage all of its business risks.

5.11. There was no monitoring or review of PPI postal and internet sales. This resulted in Redcats failing to identify inappropriate sales. Instead, Redcats placed excessive reliance on the product provider to identify customers who were ineligible for PPI cover.

Failure to take reasonable care to implement adequate risk management systems

5.12. Redcats failed to take reasonable steps to identify and understand the regulatory risks posed to its regulated business and to its customers by the sale of PPI. It failed to implement adequate risk management systems to mitigate and manage risks and did not undertake a risk review. It also failed to have policies and procedures which outlined its approach to identifying and assessing the risks posed to its business.

5.13. After 14 January 2005, a total of 123,000 customers took out Total Cover. Redcats failed to record a date of birth for 3816 of these customers despite the age eligibility requirements for particular segments of cover offered under the PPI policy.

5.14. As a result of having no formal risk identification and assessment criteria, Redcats was unable promptly to identify that it did not have adequate systems and controls to manage and monitor the risks in its PPI sales process. Consequently, customers continued to be exposed to the risk of sale of policies which may not have been suitable for their needs.

Failure to take reasonable care to establish effective training and competence arrangements

5.15. Redcats' training programme was inadequate; it was mainly product focused and contained limited regulatory information. Redcats failed to identify and determine the training needs of its sales advisers employed during the relevant period. For example, its induction programme did not adequately cover the assessment of suitability, how to make appropriate PPI recommendations or the difference between advised and non-advised sales.

5.16. Redcats also failed to organise training that was appropriate in content. In particular the training did not clearly state that it provided PPI on an advised basis and that its sales advisers were required to assess the customers demands and needs and give personal recommendations.

5.17. Redcats failed to ensure that it had in place adequate competence assessment criteria to measure the regulatory knowledge and skills of its sales advisers and to ensure their competence was maintained. Whilst Redcats had in place initial and ongoing processes to monitor competence and measure the knowledge and skills of advisers, most of this activity was carried out at an operational level. It did not have in place formalised procedures for identifying trends or escalating issues that may have been identified during key performance assessments, one-to-one meetings or performance plans and had inadequate formal procedures for managing underperformance. In assessing competence there was insufficient emphasis placed on regulatory knowledge and skills.

Breach of Principle 6

5.18. By reason of the facts and matters set out in paragraphs 5.19 to 5.38 below, Redcats breached Principle 6 of the Principles as it failed to pay due regard to the interests of its customers and treat them fairly.

Failure to implement policies and procedures that paid due regard to the interests of its customers

5.19. Redcats failed to implement clear sales practices and procedures that fully complied with the regulatory requirements for either an advised or non-advised sales process.

Regardless of the sales channel, Redcats informed all customers that they had been sold PPI on an advised basis as its initial disclosure document (IDD) stated that it had provided advice and personal recommendations. The extent to which it is possible to give personal recommendations through its non-interactive sales channels is questionable. Further, it failed to provide a personal recommendation to customers who purchased PPI by its telephone sales process.

5.20. Redcats failed to identify that its telephone sales advisers were providing inadequate disclosure to the customer during the sales process, particularly of the significant exclusions such as disability, age and/or employment status. The different types of cover available under the PPI policy meant there were different exclusions and suitability criteria that needed to be explained to the customer in each instance. Despite this, Redcats' telephone sales advisers failed adequately to explain the cover and to check eligibility in all instances. It also failed to take sufficient steps to ensure that customers purchasing Total Cover met all of the eligibility criteria.

5.21. Redcats also failed to ensure that it had processes which addressed the information needs of its customers. Total Cover was predominantly sold as merchandise cover with little information provided in relation to the accompanying PPI. Its sales process placed heavy reliance upon the customer reading policy documentation and understanding the complex exclusions and limitations of the PPI policy. As a result customers were subjected to unnecessary risks, including an increased chance of being exposed to poor and inappropriate sales practices. Redcats has now taken steps to mitigate these risks and improve its sales processes.

Failure to provide adequate disclosure to customers

5.22. The wording of the telephone sales script was inadequate as it did not cover all of the regulatory requirements for advised sales. The most serious failing in the sales script was the absence of sufficient information about the limitations and exclusions of the policy. The scripts also failed to ensure that advisers conducted an adequate eligibility check. In respect of written and internet applications, Redcats provided inadequate information to allow the customer to make an informed decision about the policy.

5.23. The telephone sales channels did not provide for the collection of information of the customer's demands, needs and objectives, the provision of a personal recommendation or the justification of that personal recommendation.

5.24. Redcats failed to take sufficient steps to ensure that customers did not buy PPI policies under which they were ineligible to make a claim. In particular, there was a risk that a significant number of customers were not aware that the benefits of the PPI cover were restricted to certain age groups and as a result that they may not be eligible to claim on the disability, unemployment and life cover.

5.25. Redcats failed to provide customers with enough information to make an informed decision about whether to purchase PPI at the relevant point in the sales process. In particular:

(1) the sales script used to sell PPI over the telephone did not mention recommendations or advice and only provided limited disclosure on the exclusions and limitations of the policy. It did not prompt the sales adviser to ask for or record any information about the customer's demands, needs and objectives;

(2) the internet based application form required the customer to complete a number of basic eligibility questions and the customer was given limited information about the exclusions and limitations of the policy. However, once the application was processed customers were provided with documentation confirming that advice had been given. Despite not providing advice in these circumstances, Redcats nevertheless represented to its customers that advice had been given; and

(3) the postal application form required the customer to tick a box acknowledging that they required cover. The application form contained limited information about the product and no eligibility questions or suitability questions were contained on the form itself. However, once the application was processed the customer received documentation stating that they had been provided with advice and recommendations. Again, despite not providing advice Redcats represented to customers that advice had been given.

5.26. In all three sales channels, Redcats relied heavily upon written disclosure to customers following the recommendation. A delay did occur between the decision to purchase the PPI and conclusion of the contract once the underwriter confirmed acceptance. Redcats relied on the policy documents to explain to the customer the limitations and exclusions of the policy.

5.27. The product disclosure information was in small print and its layout meant that the salient exclusions and limitations may not have been immediately evident to the customer. Clearer disclosure at the point the customer decided to purchase the PPI would have helped the customer to understand whether the product met their needs.

5.28. The failures set out above are particularly serious because they meant that some customers would continue to pay premiums on policies under which they may have been ineligible to make a claim.

Failure to assess suitability and key eligibility criteria during the telephone sales process

5.29. Redcats did not ask any questions or record any information about customers' demands, needs and objectives. Despite informing all customers through its IDD that they had been sold PPI on an advised basis it failed to provide a personal recommendation. Redcats was therefore unable to demonstrate that a proper assessment of whether the customer actually needed PPI had been undertaken in order to identify that the customer was eligible for the product and that the product was suitable for the customer.

5.30. Redcats' advisers were required to complete a computer based questionnaire to collect information about the customer's eligibility for the PPI element of Total Cover.

However, the system failed to allow advisers to record sufficient information to enable them to assess the suitability of the product and to ensure that the customer was eligible for all the elements of the PPI policy. Even if the customer disclosed relevant circumstances and objectives which would affect a PPI recommendation, its systems did not allow advisers to record this information. For example, Redcats failed to record information about employment status including the number of hours worked on a weekly basis and it failed to disclose the eligibility requirements for unemployment cover to its customers.

5.31. Redcats was unable to demonstrate if and how advisers considered the existence of alternative insurance cover in formulating a recommendation for PPI. Redcats' systems did not allow an adviser to record details of a customer's existing cover and it did not outline what types of additional insurance it considered relevant for these purposes. Existing insurance cover is relevant information needed to assess suitability and decreases the risk of customers being sold duplicate cover.

5.32. In particular instances, the customer was informed about the price of the PPI by providing examples of the cost of the premium. However, Redcats failed to ensure that its sales advisers considered the cost of the PPI policy and whether this was acceptable in the context of the customer's demands and needs.

5.33. Redcats also failed to consider whether there were any exclusions, limitations, excess or other terms that would apply to the customer. Whilst advisers received training on the main exclusions of the PPI policy, they had not been trained to assess how these might apply in the context of considering whether a recommendation was suitable.

5.34. Redcats failed adequately to explain and record the customer's understanding of their duty to disclose all circumstances material to the PPI policy and consequences of failure to comply. In particular, advisers did not explain or make it clear what the customer needed to disclose.

Failure to provide recommendations during advised telephone sales

5.35. During the relevant period, Redcats failed to provide a significant number of customers who purchased PPI over the telephone with personal recommendations.

5.36. During the relevant period, Redcats used a generic statement of demands and needs (SODAN) for all sales channels. The SODAN did not contain specific information on the customer's demands and needs and was neither relevant to, nor generated by the specific circumstances of the customer. The SODAN also failed to confirm if a personal recommendation had been provided.

5.37. In instances where a customer disclosed pre-existing insurance cover during the telephone sales process, the SODAN indicated that PPI may not be suitable as existing insurance had not been taken into account in making the recommendation. By not recording its recommendations and by using a generic SODAN, Redcats was unable to demonstrate that its recommendations met the customer's demands and needs and why the policy was suitable even though the customer had pre-existing cover.

5.38. By reason of all the breaches set out above, Redcats failed to comply with the regulatory requirements for an advised sales process. Redcats failed to comply with the regulatory requirements for either an advised or non-advised sales process.

Breach of Principle 2

5.39. By reason of the facts and matters set out in paragraphs 5.40 to 5.44 below, Redcats breached Principle 2 of the Principles as it failed to conduct its business with due skill, care and diligence.

Failure promptly to remedy the failings identified by both its internal audit and compliance functions

5.40. In January 2006, Redcats' internal audit function produced a report on its PPI sales process. A subsequent report was produced by its compliance function in February 2006.

5.41. The audit and compliance reports (together the internal reports) raised concerns about Redcats' assessment of product suitability during the PPI sales process. The internal reports also highlighted that there was limited disclosure of the key terms of the policy and there were inadequacies in the assessment of certain eligibility criteria and its training and competence arrangements.

5.42. Despite the concerns raised in the internal reports, Redcats failed to undertake appropriate remedial action in a timely and efficient fashion. Redcats incorrectly assumed that it was appropriate to delay implementation of the remedial action suggested in the internal reports until after the FSA's thematic visit. As a result, remedial action took effect four to five months after the internal reports were produced.

5.43. The audit and compliance functions did not identify that their reviews had not picked up the fact that Redcats' sales process failed to comply with regulatory requirements for advised sales.

5.44. As a result of the above, Redcats failed to act with due skill, care and diligence in addressing the concerns raised in the internal reports in connection with its PPI sales processes. By incorrectly deciding to delay implementation until after the FSA thematic visit, Redcats did not act in a timely fashion to address the concerns raised in the internal reports.

6. RELEVANT GUIDANCE ON PENALTY

6.1. The FSA's policy in relation to the imposition of financial penalties is set out in Chapter 13 of the Enforcement Manual (ENF) which forms part of the FSA Handbook. The principal purpose of financial penalties is to promote high standards of regulatory conduct by deterring authorised and approved persons who have breached regulatory requirements from committing further contraventions, by helping to deter other firms from committing contraventions, and demonstrating generally to firms the benefits of compliant behaviour.

6.2. Paragraph 13.3 of ENF sets out the factors that may be of particular relevance in determining the appropriate level of financial penalty. Paragraph 13.3.4 states that the criteria listed in ENF are not exhaustive and all relevant circumstances of the case will be taken into consideration.

6.3. In deciding to take this action, the FSA considers that the following factors are particularly relevant in this case:

The seriousness of the misconduct or contravention

6.4. The FSA has had regard to the seriousness of the contraventions, including the nature of the requirements breached and the number and duration of the breaches. For the reasons set out below the FSA considers that the breaches are of a serious nature:

(1) the failings resulted from serious weaknesses in Redcats' systems and controls. It failed to maintain a clear and appropriate apportionment of compliance responsibilities. The result was that the business and affairs of Redcats could not be adequately monitored;

(2) key compliance arrangements and controls in relation to training, treating customers fairly and compliance sales processes were not implemented. This meant that there was a lack of key safeguards to ensure the proper application of the FSA Rules and the Principles and the protection of consumers was not safeguarded; and

(3) it sold a high volume of PPI policies during the relevant period and when problems were identified it decided to delay implementation until after the FSA thematic visit. As a result, it did not promptly and efficiently set on a course of remedial action.

The duration and frequency of the misconduct

6.5. The breaches occurred over a period of 18 months.

The extent to which the misconduct was deliberate or reckless

6.6. The FSA has not concluded that the contraventions by Redcats were deliberate or reckless.

The size, financial resources, and other circumstances of the firm

6.7. The FSA has taken into account Redcats' financial resources. There is no evidence to suggest that Redcats is unable to pay the financial penalty.

Conduct following the contravention

6.8. Redcats engaged an independent consultant to review, produce reports and assist in the implementation of changes to its compliance arrangements and systems, sales processes, training and competence and its TCF procedures. The independent consultant's reports were provided to the FSA and Redcats has shown a willingness to adopt specific recommendations designed to remedy the inadequacies identified.

6.9. Redcats has committed to a remedial action plan. The plan involves increasing its compliance resources, conducting various customer contact exercises and questionnaires and redress where appropriate.

6.10. Redcats carried out a customer contact exercise for those 279 customers that were able to apply for PPI during the suspension and for those customers for which it held inadequate and incomplete customer information.

6.11. Redcats has co-operated fully with the FSA and agreed the facts quickly ensuring efficient resolution of the matter.

The disciplinary record and compliance history of the firm

6.12. Redcats has not previously been the subject of disciplinary action by the FSA.

The previous action taken by the FSA in relation to similar findings

6.13. The FSA seeks to ensure consistency when it determines the appropriate level of penalty. The FSA has in the past taken action against firms for similar failings and these have been taken into consideration in setting the level of penalty against Redcats.

7. DECISION MAKER

7.1. The decision which gave rise to the obligation to give this Final Notice was made on behalf of the Executive Settlement Decision Makers on behalf of the FSA.

8. IMPORTANT

8.1. This Final Notice is given to you in accordance to section 390 of FSMA.

Manner of and time for Payment

8.2. The financial penalty must be paid in full by Redcats to the FSA by no later than 10 January 2007.

If the financial penalty is not paid

8.3. If all or any of the financial penalty is outstanding on 11 January 2007, the FSA may recover the outstanding amount as a debt owed by Redcats and due to the FSA.

Publicity

8.4. Sections 391(4), 391(6) and 391(7) of FSMA apply to the publication of information about the matter to which this Final Notice relates. Under these provisions, the FSA must publish such information about the matter to which this Final Notice relates. The information may be published in such manner as the FSA considers appropriate. However, the FSA may not publish information if such publication would, in the opinion of the FSA, be unfair to Redcats or prejudicial to the interests of consumers.

8.5. The FSA intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

FSA Contacts

8.6. For more information concerning this matter generally, you should contact Catherine Harris of the Enforcement Division of the FSA (direct line: 020 7066 4872 /fax: 020 7066 4873).

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William Amos
FSA Enforcement Davison