
FINAL NOTICE

To: **Photo-Me International plc**

Of: **Church Road
Bookham
Surrey
KT23 3EU**

Date: **21 June 2010**

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 Photo-Me International plc ("PMI") a Decision Notice dated 15 July 2009 which notified PMI that, having taken into account its written and oral representations, pursuant to section 91 of the Financial Services and Markets Act 2000 (the "Act") the FSA had decided to impose on PMI a financial penalty of £500,000.
- 1.2 This was in relation to breaches of the Disclosure Rules and Transparency Rules 2.2.1R and Listing Principle 4 during the period from 17 January 2007 to 2 March 2007, namely the obligation to disclose inside information to the market as soon as possible and to avoid the creation or continuation of a false market in listed securities.
- 1.3 PMI referred the matter to the Upper Tribunal (Tax and Chancery Chamber) ("the Tribunal") on 12 August 2009 but, following settlement discussions with the FSA, notified the Tribunal of the withdrawal of the reference on 18 June 2010. The Tribunal gave its consent to this withdrawal on 18 June 2010.
- 1.4 The FSA gave PMI a Further Decision Notice dated 21 June 2010 pursuant to section 91 of the Act which notified PMI that the FSA had decided to impose on PMI a financial penalty of £500,000 for the same breaches over the same period as outlined in paragraph 1.2 above.

- 1.5 PMI has confirmed that it will not be referring the matter to the Tribunal and this Final Notice is drafted in the same terms as the Further Decision Notice.
- 1.6 Accordingly, for the reasons set out below, the FSA imposes a financial penalty on PMI in the amount of £500,000.

2. REASONS FOR THE PENALTY

Summary

- 2.1 PMI is a listed issuer of securities on the London Stock Exchange Official List where it has been listed since 5 December 1962. At the material time PMI's shares were included in the FTSE Smallcap Index.
- 2.2 During the year ended 30 April 2007 the principal activities of the PMI group included the manufacture and sale of photo-processing equipment, mainly minilabs and central processing laboratories, throughout the world. The sale of minilabs was a key determinant of PMI's profitability in this period.
- 2.3 The FSA has imposed the penalty as a result of PMI's delay of 44 days, between 17 January 2007 and 2 March 2007, in disclosing to the market inside information relating to its minilab sales.
- 2.4 In September, November and December 2006, PMI made announcements that created an expectation in the market that it would benefit from the winning of large sales contracts and strong minilab sales. This was a key factor underpinning PMI's share price in the period up to 2 March 2007.
- 2.5 On 6 December 2006, PMI's board recognised that, in order to meet the market expectations it had created, it would be necessary to sell 1,050-1,100 minilabs during the half-year to 30 April 2007. PMI expected that a contract with a large USA based retailer ("Albertsons") would contribute around 200 minilabs towards achieving this target.
- 2.6 On 15 December 2006 PMI's auditor warned PMI that selling approximately 1,000 minilabs during the half-year to 30 April 2007 was *"a challenging target and close monitoring of second half trading performance will therefore be required"*.
- 2.7 During January 2007 and February 2007 PMI knew that:
- (a) market expectations were for PMI to earn pre-tax profits of approximately £23 million for the year to 30 April 2007; and
 - (b) selling approximately 1,100 minilabs during the half-year to 30 April 2007 was central to PMI meeting those market expectations.
- 2.8 In January and February 2007 PMI received inside information clearly indicating a significant risk that PMI would not be able to meet the market expectations it had created. In particular:

- (a) on 17 January 2007, PMI received information which significantly reduced its chances of securing a contract with Albertsons in time to benefit its half-year results;
 - (b) by 12 February 2007, PMI had information regarding poor actual minilab sales during January 2007 (115 sold against a budget of 194: a 40% shortfall) (as well as revised forecast information).
- 2.9 In both cases, there was a significant change in the information available to PMI from that which had supported the positive statements made during September, November and December 2006 about likely minilab sales. The new information was, for the reasons set out in paragraphs 5.4 to 5.9 below, inside information, and should have been disclosed to the market. PMI failed to consider the effect of the information it had received on market expectations until 1 March 2007. PMI's failure to make an appropriate announcement until 2 March 2007, thereby creating a false market in PMI's shares, gives rise to breaches of DTR2.2.1R and Listing Principle 4 during the period from 17 January 2007 to 2 March 2007.
- 2.10 PMI eventually announced to the market, in a profit warning issued on 2 March 2007 (the "2 March 2007 Profit Warning"), that it believed its pre-tax profit would be very substantially below previous expectations in light of a minilab sales shortfall, the discounting of a large contract and expectations of reduced minilab sales. Following this announcement, analyst expectations of profits for PMI's year to 30 April 2007 fell by around 46% (from £23.7 million to £12.9 million) and PMI's share price fell 24% on the day.

Relevant statutory provisions and regulatory rules, guidance and policy

- 2.11 Pursuant to Part VI of the Act, the FSA makes the Listing, Prospectus, Disclosure and Transparency Rules and is responsible for the official listing of securities in the UK. These rules set out the requirements for the admission of securities to the Official List and the continuing obligations of companies whose securities are so admitted. Disclosure rules under Part VI must include provision specifying the disclosure of information requirements to be complied with by issuers (section 96A of the Act). On 20 January 2007 the existing Disclosure Rules (the "DR") were supplemented with additional rules and became the Disclosure Rules and Transparency Rules (the "DTR"). For the purposes of this Final Notice, there were no significant changes to the rules.
- 2.12 For these purposes "inside information" is defined in section 118C of the Act (as it was in the DR and is in the DTR) as:
- "(2) ... information of a precise nature which–*
- (a) is not generally available,*
 - (b) relates, directly or indirectly, to one or more issuers of the qualifying investments or to one or more of the qualifying investments, and*

- (c) *would, if generally available, be likely to have a significant effect on the price of the qualifying investments or on the price of related investments ...*
 - (5) *Information is precise if it–*
 - (a) *indicates circumstances that exist or may reasonably be expected to come into existence or an event that has occurred or may reasonably be expected to occur, and*
 - (b) *is specific enough to enable a conclusion to be drawn as to the possible effect of those circumstances or that event on the price of qualifying investments or related investments.*
 - (6) *Information would be likely to have a significant effect on price if and only if it is information of a kind which a reasonable investor would be likely to use as part of the basis of his investment decisions.”*
- 2.13 The FSA is authorised under section 91(1) of the Act to exercise its power to impose a financial penalty where it is satisfied that an issuer has contravened any provision of the Part VI rules.
- 2.14 At the material time, from 1 September 2006 to 31 March 2007 (the “material time”), the DR (and, from 20 January 2007, the DTR) were set out in the FSA’s Handbook. DR 2.2.1R stated that *“An issuer must notify a RIS [Regulated Information Service] as soon as possible of any inside information which directly concerns the issuer unless DR 2.5.1R applies”*. DTR 2.2.1R states that *“An issuer must notify a RIS [Regulated Information Service] as soon as possible of any inside information which directly concerns the issuer unless DTR 2.5.1R applies”*. (Neither DR 2.5.1R nor DTR 2.5.1R applies in this case.) References in this Final Notice to the DTR should be taken as references to the DTR and/or the DR as appropriate.
- 2.15 At the material time the FSA had, pursuant to section 157 of the Act, published guidance on the rules in the Handbook which would have been available to PMI. In deciding to take the action stated in this Notice, the FSA has had regard to specific guidance on the identification and disclosure of inside information set out from DTR 2.2.3G to DTR 2.2.9G (formerly DR 2.2.3G to DR 2.2.9G).
- 2.16 Chapter 7 of the Listing Rules sets out the Listing Principles which apply to every listed company with a primary listing of equity securities. The purpose of the Listing Principles is to ensure that listed companies pay due regard to the fundamental role they play in maintaining market confidence and ensuring fair and orderly markets.
- 2.17 Listing Principle 4 provides that *“A listed company must communicate information to holders and potential holders of its listed equity securities in such a way as to avoid the creation or continuation of a false market in such listed equity securities”*.
- 2.18 The FSA regards the continuing obligation requirements of the DTR and the Listing Principles as a fundamental protection for shareholders. These requirements are designed to promote full disclosure to the market of all relevant information on a timely basis to ensure that all users of the market have simultaneous access to the same

information. Observance of these continuing obligations is essential to the maintenance of an efficient, fair and orderly market in securities and to maintaining confidence in the financial system.

3. FACTS AND MATTERS RELIED ON

Market expectations

- 3.1 On 20 September 2006 PMI announced to the market that *“the [half-year to 30 April 2007] is expected to benefit substantially from growing sales of the DKS 3 [minilabs], which has been well received, and, in particular, from the securing of certain new, large contracts, currently under negotiation”*. Although not specifically named in the announcement, the *“certain new, large contracts”* were CVS and Albertsons contracts.
- 3.2 On 15 November 2006 PMI announced to the market that it had secured a contract with CVS and that *“PMI continues to be in discussion with other large US chains ... In the second half, as indicated in the AGM Statement [of 20 September 2006], the Manufacturing Division will benefit substantially from growing unit sales as a result of the transition to the new DKS 3 [minilabs] series and the new contract with CVS”*. By this stage PMI’s negotiations with Albertsons were well advanced and PMI expected the contract to be secured for the benefit of its year to 30 April 2007.
- 3.3 At a PMI board meeting on 6 December 2006, it was noted that PMI would need to sell 1050-1,100 minilabs (including 400 to CVS) in order to achieve market expectations . PMI expected that the Albertsons contract would contribute around 200 minilabs towards achieving this target.
- 3.4 On 15 December 2006 PMI’s auditor warned PMI that *“Achievement of the full year forecast depends on the Manufacturing division delivering approximately 1,000 machines in H2 [the half-year to 30 April 2007] (compared with H1 sales of approximately 300). This is a challenging target and close monitoring of second half trading performance will therefore be required.”*
- 3.5 On 18 December 2006 PMI announced to the market that *“Overall, a strong second half is anticipated as a result of a considerable improvement in minilab manufacturing. ... In the second half, Vending, which continues to trade solidly, is expected to make a significantly smaller profit than in the first half, due to normal seasonality. Manufacturing is expected to make a substantial profit, mainly as a result of a considerable increase in the number of minilabs manufactured and sold, a high proportion of them being repeat business with a large US customer [CVS], as announced on 15 November 2006. Overall, a strong second half is anticipated.”*
- 3.6 Market expectations during January and February 2007 were for PMI to earn pre-tax profits of approximately £23 million for the year to April 2007.

The Albertsons Information

- 3.7 During 2006 PMI had been engaged in exclusive negotiations with Albertsons and was expecting that a contract for around 200 minilabs would be concluded for the benefit of its year to 30 April 2007. However, on 17 January 2007, PMI was advised that

Albertsons proposed to re-tender the contract on a non-exclusive basis and that PMI would be one of at least five competitors for the business (the “Albertsons Information”).

The January Sales Information

- 3.8 On 12 February 2007, one of PMI’s directors was sent an email, attached to which was a document containing information about the actual minilab sales figures for January which showed sales for January 2007 of 115 minilabs as against a budget for the month of 194 minilab sales, a 40% shortfall (the “January Sales Information”). In addition, by that stage, the same director had also received revised sales forecasts from PMI’s wholly owned subsidiary responsible for the manufacture and sale of minilabs for the four months to 30 April 2007 (the “Revised Forecasts”). The Revised Forecasts indicated that PMI could expect to sell around 750 minilabs to the April year-end.

The 2 March 2007 Profit Warning

- 3.9 The decision to issue the 2 March 2007 Profit Warning was made by PMI on 1 March 2007. The 2 March 2007 Profit Warning announced that “[PMI’s board] now believes that the pre-tax profit for the year to 30 April 2007 will be very substantially below its previous expectations. By far the most significant part of the shortfall is in minilab Manufacturing, which is now expected to make a much reduced profit. This reflects an expected sales shortfall of some 450 units relative to the Board’s expectations, as the Board has now discounted the winning, for delivery in the current financial year, of a further large contract and expects to make reduced sales generally in minilab Manufacturing as a result of difficult market conditions”.

4. SUMMARY OF PMI’S REPRESENTATIONS

- 4.1 PMI submitted written representations dated 17 April 2009, additional expert evidence dated 18 May 2009 and further written representations dated 1 June 2009, together with a legal opinion dated 1 June 2009 and additional expert evidence. PMI also made oral representations on 3 June 2009. This section summarises the key representations made by PMI in relation to the findings contained in this Final Notice.

Market expectations

- 4.2 PMI pointed to a range of market forecasts for PMI’s pre-tax profits (from 21.8 million to £25 million) and did not accept that the market’s expectations for minilab sales included sales under the Albertsons contract.
- 4.3 PMI pointed to the fact that its announcement on 20 September 2006 was the only one which contained an indirect reference to the Albertsons contract stating that certain contracts were “*under negotiation*”, not that they were won or virtually won. PMI’s estimate of the probability of securing the contract was between 80% and 90%. PMI’s expert considered that this was consistent with his expectation that a reasonable investor would conclude that there was a high degree of confidence in a successful outcome.

The Albertsons Information

- 4.4 PMI represented that the Albertsons Information was not inside information because it was not price sensitive. PMI represented that the probability of obtaining the contract following receipt of the Albertsons Information fell to 50%. PMI's expert approached the question of price sensitivity by assessing the value of the contract and multiplying this by the fall in the chances of obtaining the contract, calculated as 35% (i.e. 85%, being the midpoint of 80% to 90%, minus 50%). Applying this methodology, PMI's expert concluded that the value of the Albertsons Information was, at the most, £600,000, which PMI argued translates into an impact of 3% on pre-tax profits which was not price sensitive by reference to the size and range of market forecasts for PMI's pre-tax profits in circulation at the time.
- 4.5 PMI further argued that the Albertsons Information does not meet the "reasonable investor" test set out in section 118C(6) of the Act (see paragraph 2.12 above) because it would not have influenced a reasonable investor (the test requiring something more than information which a reasonable investor would rather have than not have).
- 4.6 PMI also expressed the view that any announcement that it no longer expected to secure a contract which it had been pursuing on an exclusive basis, but which had now been opened up to competition, would be so curious as to invite speculation about the viability of its manufacturing business and would reveal a lack of corporate self confidence that would itself cause PMI's share price to fall.
- 4.7 PMI contended that it did not discount the winning of the Albertsons contract on 17 January 2007 and had no reason to do so. PMI admitted that the passage of time between 17 January 2007 and the 2 March 2007 Profit Warning gradually eroded the probability of the contract being secured by the end of April 2007 but disagreed that reference to the contract in the 2 March 2007 Profit Warning was evidence that it viewed the Albertsons Information as price sensitive.

The January Sales Information

- 4.8 PMI's position in relation to the January Sales Information was that, whilst this contributed to the decision on 1 March 2007 to issue a profit warning, it was not the sole factor and that it was not of itself inside information. PMI argued that the aggregate sales figures for the year to date were better than those achieved at the same stage the previous year (when total sales of 1,231 minilabs had been achieved); that the latest view for pre-tax profits for the manufacturing subsidiary was within the group finance director's "comfort range" and that PMI's group monthly management accounts for the month were still projecting pre-tax profits in accordance with market expectations.
- 4.9 PMI also represented that, although an email with an attachment containing the January Sales Information was sent to one of its directors on 12 February 2007, he was in London and engaged in other matters at that time, after which he departed on leave, not returning to the office until 28 February 2007. The director in question stated that he had no recollection of receiving the attached spreadsheet until his return to the office and that he did not open the attachment. He also said that the same was true of the

email he was sent on 9 February 2007, attaching financial information which included the Revised Forecasts.

- 4.10 In these circumstances, PMI suggested that there could be no breach of DTR 2.2.1R or Listing Principle 4 on 12 February 2007 because there was no-one within the company who was in a position to determine whether the information was inside information; in order to establish a breach of the rules, it must be shown that the company was aware of information which it decided not to announce.

The 2 March 2007 Profit Warning

- 4.11 PMI's case was that the 2 March 2007 Profit Warning was triggered by an estimated 450 minilab sales shortfall referred to in a presentation to the board by the group finance director at a board meeting on 1 March 2007 and that the company's lack of confidence in its minilab sales for the final quarter was not based on the actual January sales but on emerging competition in the minilab market. PMI accepted that, by 2 March 2007, it was less likely that the Albertsons contract would be concluded by the end of April 2007.

5. CONCLUSIONS

- 5.1 The FSA regards the continuing obligations imposed under Listing Principles and the Disclosure and Transparency Rules as providing fundamental protection for shareholders. The requirements are designed to promote full disclosure to the market of all inside information on a timely basis. The Listing Principles are designed to ensure adherence to the spirit as well as the letter of the rules in the interests of promoting a fair and orderly market. Listing Principle 4 in particular sets a high standard for market communications as investors are entitled to expect a high standard of responsibility and care.
- 5.2 The question of whether information is likely to have a significant effect on price must be assessed in accordance with the test set out in section 118C(6) of the Act which requires consideration of whether the information is of a kind which a reasonable investor would be likely to use as part of the basis of his investment decisions. The DTR guidance makes it clear that there is no set percentage or other figure to determine whether an effect on price is significant. The application of the "reasonable investor test" will depend on the circumstances of each case and will not necessarily be determined by calculating the potential profit impact, particularly when information is viewed in the context of previous announcements.

Market expectations

- 5.3 The FSA considers that, through the announcements in September, November and December 2006, PMI created an expectation in the market that it would benefit substantially from strong minilab sales and, in particular, from the securing of certain large minilab sales contracts. PMI accepts that, following the announcements in September, November and December 2006, a reasonable investor would have concluded that there was a high degree of confidence that a new large contract would be won. The FSA also considers that selling approximately 1,100 minilabs during the

half-year to 30 April 2007 was central to meeting market expectations for pre-tax profits which averaged at approximately £23 million.

The Albertsons Information

- 5.4 PMI accepts that following receipt of the Albertsons Information there was no longer a high degree of confidence regarding the Albertsons contract (the chances of securing it having dropped from around 85% to around 50%). The FSA considers that, from 17 January 2007, the Albertsons contract was no longer under negotiation and that there was a significant risk that the contract would not be won at all, or that it would not be so profitable or that it would not be won in time to benefit PMI's half-year results to the end of April 2007.
- 5.5 The FSA considers that, when viewed in context, this loss of confidence is information of a kind which a reasonable investor would be likely to use as part of the basis of his investment decisions. Previous announcements had included reference to PMI's expectation that its half-year results would benefit substantially from the securing of certain new large contracts. The new information gave rise to a significant risk that market expectations would not be met. This change in PMI's expectations should have prompted communication to the market so as to avoid a divergence between the expectations of the company and those of the market. It is not acceptable for issuers to announce good news which can be expected to have a positive impact but to withhold bad news on the same matter which is likely to have an adverse effect; investors must be allowed the opportunity to make their own assessment of both types of information.
- 5.6 In short, the Albertsons Information was precise, not generally available, related directly to PMI and would, if generally available, have been likely to have a significant effect on PMI's shares. It was therefore inside information as defined under section 118C of the Act. The failure to announce this information as soon as possible constitutes a breach of DTR 2.2.1R and Listing Principle 4.

The January Sales Information

- 5.7 On 12 February 2007, a director of PMI was sent the actual sales figures for January which revealed a 40% shortfall in the number of sales that had been predicted for the month. By this stage, he had also received Revised Forecasts. PMI's previous announcements had emphasised the contribution it expected its minilab sales to make to its results and its auditors had warned that achievement of its full year forecast depended on achieving a challenging target of around 1,000 machines in the second half of the year. The actual sales shortfall affected the information previously disclosed and cast significant doubt on the company's ability to deliver in accordance with expectations.
- 5.8 Against this background, the FSA is not satisfied that, had PMI considered the need for announcement, it could properly have concluded, on the basis of the previous year's sales, that an announcement was not required. In light of the 2 March Profit Warning, the FSA does not accept that, as at 12 February 2007, forecast pre-tax profits remained in accordance with market expectations. The FSA considers that the expectation of reduced minilab sales referred to in the 2 March 2007 Profit Warning was based on information which was available to PMI as at 12 February 2007. The FSA takes the

view that the information available to PMI on 12 February 2007, which indicated minilab sales significantly below expectations, is information of a kind which a reasonable investor would be likely to use as part of the basis of his investment decisions.

- 5.9 In short, the FSA considers that, on receipt of the January Sales Information, PMI had information which was specific and precise, not generally available, relating directly to PMI and likely to have a significant effect on the price of PMI's shares and which was therefore inside information as defined under section 118C of the Act.
- 5.10 The FSA notes that it is the board of a listed company which has overall responsibility for the identification, control and dissemination of inside information under the DTR and the communication of information under Listing Principle 4, the onus being on companies to avoid the creation or continuance of a false market and ensure that inside information is disclosed without delay. The DTR guidance reminds directors of the need to carefully and continuously monitor whether changes in circumstances are such that an announcement obligation has arisen. The guidance also indicates that an issuer is required to notify all inside information in its possession as soon as possible (see DTR 2.2.9G).
- 5.11 By 12 February 2007, information regarding a shortfall in actual January sales (and the Revised Forecasts) had been provided to a director of PMI. He did not consider whether a disclosure obligation had arisen or discuss the matter with the Board. The failure of a board member to open an email attachment and consider the available information due to his absence from the office and subsequent departure on leave does not excuse a delay of over two weeks in communicating it to the market, particularly when the company was on notice from its auditors that close monitoring of trading performance is required. The FSA does not accept that disclosure was not possible. The FSA takes the view that, if a company is shown to have been in possession of inside information, a failure to consider or identify the inside information does not preclude a breach of DTR 2.2.1R.
- 5.12 The FSA considers that the January Sales Information and the Revised Forecasts were in the possession of the company, having been sent to one of its directors and that, as at 12 February 2007, PMI had inside information. The failure to make an announcement as soon as possible gives rise to a breach of DTR 2.2.1R and a failure to communicate information under Listing Principle 4.
- 5.13 In conclusion, the FSA finds that PMI has failed to disclose inside information in breach of DTR 2.2.1R and failed to communicate information in order to avoid a false market in breach of Listing Principle 4. These failures continued over a significant period of time before an announcement was made.

6. SANCTION

- 6.1 The FSA's policy on the imposition of financial penalties and public censures is set out in Chapter 6 of the Decision Procedure and Penalties Manual (DEPP 6). As this matter relates to events prior to the introduction of DEPP (28 August 2007), the FSA has also had regard to the relevant policies set out in the Enforcement Manual (which preceded DEPP) at ENF 21.7. The principal purpose of financial penalties is to promote high

standards of market conduct by deterring those who have committed breaches from committing further breaches, helping to deter others from committing similar breaches and demonstrating generally the benefits of compliant behaviour.

- 6.2 Disclosure obligations arose under DTR 2.2.1R on 17 January 2007 and 12 February 2007. Failure to disclose the relevant information on each of these dates was a breach of DTR 2.2.1R, continuing until 2 March 2007 when the information was ultimately disclosed to the market. In addition, the failure to disclose the information led to the creation of a false market in PMI's shares from 17 January 2007 to 2 March 2007 resulting in a breach of Listing Principle 4. The FSA considers that the seriousness of PMI's failures merits a financial penalty.
- 6.3 The following factors have been taken into account in determining the financial penalty to be imposed on PMI:
- (a) at the material time PMI's shares formed part of the FTSE Smallcap Index and contravention of DTR 2.2.1R and Listing Principle 4 impacted on the orderliness of the capital markets and public confidence in those markets;
 - (b) the delays in disclosing the inside information were extensive – 44 days from 17 January 2007 and 18 days from 12 February 2007 – during which time there was a false market in PMI's shares;
 - (c) PMI had created a particular expectation in the market of strong minilab sales and had been warned by its auditor that it should monitor minilab sales closely. PMI should therefore have been sensitive to any changes in minilab sales expectations or changes in the prospects of the Albertsons contract. However, on each of the occasions when it received information relating to its minilab sales, it failed to consider the effect of the information on market expectations;
 - (d) the significant impact that the information had when announced to the market;
 - (e) PMI has not been the subject of previous disciplinary action.
- 6.4 In determining the financial penalty the FSA has also considered the need to deter PMI and others from engaging in this type of activity and to remind issuers that accurate and timely communication with the market is an important part of the UK regulatory regime, essential to the maintenance of an orderly market and market confidence. The FSA has also had regard to penalties in other similar cases. The FSA considers that a financial penalty of £500,000 is appropriate.

7. DECISION MAKER

- 7.1 The decision which gave rise to the obligation to give this notice was made by the Settlement Decision Makers on behalf of the FSA.

8. IMPORTANT

- 8.1 This Final Notice is given to PMI in accordance with section 390 of the Act.

Manner of and time for payment

- 8.2 The financial penalty must be paid in full by PMI to the FSA by no later than 5 July 2010, 14 days from the date of this Final Notice.

If the financial penalty is not paid

- 8.3 If all or any of the financial penalty is outstanding on 6 July 2010, the FSA may recover the outstanding amount as a debt owed by PMI and due to the FSA.

Publicity

- 8.4 Sections 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this Final Notice relates. Under those provisions, the FSA must publish such information about the matter to which this Final Notice relates as the FSA considers appropriate. 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 PMI 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 Dan Enraght-Moony (direct line: 020 7066 0166) or Samiullah Khan at the FSA (direct line: 020 7066 5830).

Jamie Symington
Head of Department
FSA Enforcement & Financial Crime Division