



FINANCIAL REGULATOR
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Settlement Agreement
between the Financial Regulator and Jim Mannion & Co (Insurances)
Limited

The Financial Regulator has entered into a Settlement Agreement with effect from 17 February 2010 with Jim Mannion & Co (Insurances) Ltd Strokestown, Co. Roscommon, a regulated financial service provider, in relation to breaches of regulatory requirements.

The breaches relate to a failure to comply with provisions of the Consumer Protection Code and section 30 of the Investment Intermediaries Act 1995.

These breaches relate to the sale of an unsuitable investment product, the Friends First ISTC Creative Bond, in that the firm failed to properly inform one customer about the investment risks and guarantee limitations associated with this bond. Additional breaches occurred with the sale of other products and related to a failure to record certain customers' information, failure to provide a customer with a copy of the firm's terms of business prior to providing a service to that customer, failure to issue statements of suitability to certain customers prior to providing a service to those customers as required by the Consumer Protection Code. The breach of section 30 of the Investment Intermediaries Act 1995 relates to a failure to issue receipts to certain customers for payments received for onward transmission to insurers.

The Financial Regulator is satisfied that the failure by the firm to issue section 30 receipts did not result in financial loss to any customers.

These breaches were detected by the Financial Regulator during the course of an inspection into the sale of the Friends First ISTC Bonds and a subsequent inspection of the firm.

The Financial Regulator reprimanded Jim Mannion & Co (Insurances) Ltd and required it to pay a fine of €5,000.

The firm has confirmed that it has adopted new procedures and controls to become compliant and prevent future non-compliance.

The firm took prompt and complete remedial action to fully rectify the breaches. In particular, the firm voluntarily and at the earliest possible opportunity fully refunded the sum invested in the ISTC bond to the affected customer. The Financial Regulator confirms that during the course of its investigation it found no other instances of the sale of an unsuitable product by the firm.

The Financial Regulator confirms that no customer has made a complaint directly to it in relation to these breaches.

The firm fully co-operated with the Financial Regulator and has been open and transparent throughout the examination.

These penalties reflect the early stage in the administrative sanctions procedure at which settlement was reached and the good conduct of the firm.

The matter is now closed.

The financial services industry is again reminded about the requirements of the Consumer Protection Code, particularly regarding documents that must be provided to consumers prior to providing a financial product or service.

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