



FINANCIAL REGULATOR
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Settlement Agreement
between the Financial Regulator and Hibernian Direct
Limited

The Financial Regulator has entered into a Settlement Agreement with effect from 17 November 2008 with Hibernian Direct Limited ("Hibernian").

The Financial Regulator had reasonable cause to suspect that Hibernian committed a number of breaches of regulatory requirements imposed under the Consumer Protection Code ("the Code"), namely breaches of Common Rule 5 for all Regulated Entities (Chapter 2), and General Principles 4 and 6, (Chapter 1) of the Code.

The suspected breaches occurred in the period 1 to 24 May 2007 and, inter alia, relate to the non-disclosure of information required under the Code when selling optional extra benefits on motor insurance policies to customers and to the customer consents required under the Code when selling such optional extras.

Hibernian has confirmed that the suspected breaches occurred as a result of a misinterpretation by it of its obligations under the Code.

The Financial Regulator confirms that no customer has complained directly to the Financial Regulator in relation to the suspected breaches.

The Financial Regulator reprimanded Hibernian and required the firm to pay a monetary penalty of €45,000.

Hibernian has confirmed to the Financial Regulator that it is now in compliance with the requirements of the Code.

Hibernian has confirmed that potentially affected customers were contacted and refunds totalling €16,608 were paid. As a result, Hibernian has confirmed that no customer who purchased a policy between the date of the Code's first inception on 1 August 2006 and 24 May 2007 suffered a loss as a consequence of the suspected breaches.

The Financial Regulator confirms that Hibernian co-operated fully with the examination and the matter is now closed.

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