

FINAL NOTICE DATED 21 May 2008

KPI FINANCIAL SERVICES LIMITED ("KPI")

SUMMARY OF THE MATTER TO WHICH THE NOTICE RELATES

Date of issue: 21 May 2008

On 4 April 2008, the FSA decided to refuse an application made by KPI under Section 40 of the Financial Services and Markets Act ("the Act") for Part IV permission to carry on the regulated activities of:

- Advising on regulated mortgage contracts
- Arranging (bringing about deals) regulated mortgage contracts
- Making arrangements with a view to regulated mortgage contracts

KPI's application was and remains incomplete. Requested information required to complete the FSA's assessment of KPI's financial and non-financial resources and suitability to conduct regulated business remains outstanding. Furthermore, KPI ceased to respond to the FSA's correspondence.

As a result, the FSA concluded that it could not ensure that KPI satisfied, and would continue to satisfy, the Threshold Conditions set out in schedule 6 of the Act ("the Threshold Conditions"), in the absence of information which it reasonably considered necessary to enable it to determine the application.

The FSA concluded on the above basis that it could not satisfy the requirement of section 41(2) of the Act, in that it must ensure that KPI will satisfy, and continue to satisfy, the Threshold Conditions in relation to all of the regulated activities for which KPI would have permission if the application had been granted.

Following the issuance of the Decision Notice of 4 April July 2008, and KPI having not referred the matter to the Financial Services Tribunal within the time limit as specified under section 133(1) of the act, the FSA issued a Final Notice.