

Final Infringement Notice

Chapter 4, Part 3, Digital Markets,
Competition and Consumers Act 2024

Marks Electrical Limited
Case No: 51652

15 June 2026

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Confidential information in the original version of this Final Infringement Notice has been redacted from the published version on the public register. Redacted confidential information in the text of the published version is denoted by [✂].

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1. INTRODUCTION

- 1.1 This Final Infringement Notice (**FIN**) is given to Marks Electrical Limited,¹ trading as Marks Electrical (<https://markselectrical.co.uk>) (the **Respondent**).
- 1.2 The Competition and Markets Authority (**CMA**) began an investigation into the Respondent and its practices under section 180 of the Digital Markets, Competition and Consumers Act 2024 (**DMCC Act**) on 17 November 2025.² The CMA gave the Respondent a Provisional Infringement Notice (**PIN**) under section 181 of the DMCC Act on 29 April 2026 and the Respondent provided representations on 1, 8, 14 and 15 May 2026.³
- 1.3 On 3 June 2026, on the basis of conditions of settlement offered to the Respondent, the Respondent agreed to settle the CMA's investigation and comply with these conditions (as specified in its Letter of Acceptance) (**Conditions of Settlement**).⁴ As part of the Conditions of Settlement, the Respondent:
- (a) admitted the facts set out in the PIN and made a clear and unequivocal admission that it had engaged in conduct which constitutes a relevant infringement for the purposes of section 148 of the DMCC Act in the terms set out in the PIN given to the Respondent on 29 April 2026;⁵
 - (b) agreed to an expedited procedure for the remainder of the CMA's investigation;
 - (c) confirmed that it had ceased the relevant infringement and committed to comply with the directions in the FIN including the requirement to comply with enhanced consumer measures (**ECMs**) requiring redress to be paid to affected consumers;
 - (d) agreed to comply with the other requirements of the FIN including accepting that a maximum financial penalty would be imposed and that it would pay the penalty imposed; and
 - (e) agreed not to appeal or otherwise challenge any matter in the FIN.

¹ A private limited company registered in England with company number 04463433. Its registered office is 4 Boston Road, Leicester, England, LE4 1AU.

² <https://www.gov.uk/cma-cases/marks-electrical-consumer-protection-enforcement-case>.

³ The time for the Respondent to make representations in accordance with the PIN has expired.

⁴ The Conditions of Settlement are set out in Marks Electrical Limited's letter to the CMA, dated 3 June 2026 (**MTL-00000283**).

⁵ Subject to limited amendments agreed between the CMA and the Respondent, which are now reflected in this FIN.

- 1.4 By giving this FIN, the CMA gives notice to the Respondent that, pursuant to section 182 of the DMCC Act and having considered the Respondent's representations on the PIN and its admissions as part of the settlement process, the CMA is satisfied that, between 6 April 2025 and 17 November 2025 (the **Relevant Period**),⁶ the Respondent engaged in commercial practices constituting relevant infringements, as defined in section 148 of the DMCC Act, through its practice of taking payments from consumers for additional services without obtaining express consent.⁷ This contravened Regulation 40 of the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (**CCRs**) (this being a specified prohibition under section 150 of the DMCC Act), harmed the collective interests of consumers and had a UK connection.⁸
- 1.5 Pursuant to section 182(7) of the DMCC Act, this FIN sets out:
- (a) the grounds on which it is given;
 - (b) that a penalty is imposed by the FIN under section 182(4)(b) of the DMCC Act, and provides the Respondent with the monetary penalty information required under section 203 of the DMCC Act; and
 - (c) that the Respondent has a right under section 202 of the DMCC Act to appeal against the FIN and the main details of that right; however, as set out at paragraph 1.3 above, the Respondent has agreed as part of the Conditions of Settlement not to exercise its right to appeal or otherwise challenge any matter set out in the FIN.
- 1.6 Further to paragraph 1.5(b) above, following consideration of all relevant circumstances and having regard to the CMA's Direct Consumer Enforcement Guidance: CMA200 dated 14 March 2025 (**CMA200**),⁹ the

⁶ The CMA can only impose a monetary penalty in relation to conduct which takes place after the commencement date of Parts 3 and 4 of the DMCC Act – specifically, on or after 6 April 2025. Although the Respondent has provided the CMA with evidence confirming that the practices which are subject of the FIN were first introduced in April 2013 and have consistently been in place since June 2019, for this reason the CMA has only included conduct after 6 April 2025 in the FIN, and the Relevant Period is accordingly framed as starting on 6 April 2025. See *Response to Annex 1.doc*, (**MTL-000000007**) pages 10-11, provided by the Respondent on 8 December 2025 in response to the Notice requiring information to be provided by the Respondent, issued under paragraph 14 of Schedule 5, Part 3 of the Consumer Rights Act 2015 sent on 17 November 2025 (**Information Notice 1**) (**MTL-000000252**).

⁷ Under Regulation 40(2) of the CCRs, there is no express consent (if there would otherwise be) if consent is inferred from the consumer not changing a default option (such as a pre-ticked box on a website). For the avoidance of doubt, the CMA takes the view that Regulation 40(1) of the CCRs applies equally to situations where an additional payment is taken immediately as it does to those where a consumer becomes bound to make a future payment.

⁸ Sections 148 to 150 of the DMCC Act.

⁹ [Direct consumer enforcement guidance: CMA200](#).

CMA gives notice to the Respondent that it is satisfied that the Respondent has engaged in commercial practices constituting relevant infringements for the purposes of section 148 of the DMCC Act and imposes on the Respondent a requirement to pay a monetary penalty of **£720,000**. For further details on this penalty and how the CMA has calculated this penalty see paragraphs 4.1 to 4.44 below.

- 1.7 In addition, the CMA gives notice to the Respondent that it is imposing directions on the Respondent for the purposes of securing that the Respondent complies with section 181(5) of the DMCC Act,¹⁰ including directions requiring the Respondent to take ECMs in accordance with section 183.¹¹ Specifically, the directions include a compliance measure and require the Respondent to offer redress to consumers affected by the relevant infringements.¹²
- 1.8 For further details on these directions see paragraphs 3.1 to 3.5 below.
- 1.9 Further details of the Respondent's rights to appeal are set out in paragraph 6.3 below. However, as set out at paragraph 1.3 above, the Respondent has agreed as part of the Conditions of Settlement not to exercise its right to appeal or otherwise challenge any matter set out in the FIN.
- 1.10 This is the first time that the CMA has investigated the Respondent in respect of the acts or omissions in relation for which the FIN is given.¹³

Other members of the group

- 1.11 This FIN is also given to other members of the Respondent's group of interconnected bodies corporate¹⁴ in accordance with section 200 of the DMCC Act and Rule 9 of the CMA's Direct consumer enforcement rules

¹⁰ Directions are such measures as the CMA considers appropriate for, or in connection with, the purpose of ensuring that the party does not engage in, continue or repeat the infringing practice, or does not consent to, or connive in the infringing practice either itself or by a body corporate with which the party has a special relationship. Section 182(4)(a) of the DMCC Act.

¹¹ Section 182(4)(a) of the DMCC Act.

¹² Section 221(2) of the DMCC Act.

¹³ Section 182(3) of the DMCC Act requires that in deciding whether to give a final infringement notice the CMA must have regard to whether the respondent has previously given an undertaking under this Chapter or Chapter 3 in respect of the acts or omissions in relation to which a final infringement notice would be given. The Respondent has not previously given any undertakings in respect of the acts or omissions in relation for which the FIN is given.

¹⁴ As defined in section 200 of the DMCC Act.

(CMA201) dated 4 April 2025 (the **CMA Consumer Enforcement Rules**)¹⁵ for the purpose of notifying them of the FIN and that:

- (a) the CMA is satisfied that those bodies corporate are interconnected in relation to the Respondent;¹⁶ and
- (b) the requirements the CMA imposes on the Respondent in this FIN are also binding upon them (in addition to the Respondent), as if each of them were the Respondent.¹⁷

1.12 For further details about the CMA's requirements in this regard, see section 5 below.

¹⁵ See the Schedule to The Digital Markets, Competition and Consumers Act 2024 (CMA Consumer Enforcement Rules) Regulations 2025, also referred to in CMA201 as the CMA's Rules on the direct consumer enforcement regime set out in the Digital Markets, Competition and Consumers Act 2024.

¹⁶ Section 200(1) and (2) of the DMCC Act. The CMA finds the interconnection condition (as set out in section 200(2) of the DMCC Act) applies.

¹⁷ Section 200(3) of the DMCC Act.

2. GROUNDS ON WHICH THE NOTICE IS GIVEN

- 2.1 The CMA may give a FIN where it is satisfied that a respondent has engaged, is engaging or is likely to engage in a commercial practice constituting a relevant infringement.¹⁸
- 2.2 This section sets out the grounds on which this FIN is given, in particular, why the CMA is satisfied that the Respondent has engaged in commercial practices constituting relevant infringements. In reaching this conclusion, the CMA has taken account of the evidence gathered by the CMA during its investigation and the admissions made by the Respondent as part of the settlement process that:
- (a) it has engaged in the conduct detailed at paragraphs 2.3 to 2.10 below; and
 - (b) the conduct constitutes a relevant infringement for the purposes of section 148 of the DMCC Act for the reasons set out at paragraphs 2.11 to 2.29 below.

The conduct

- 2.3 The Respondent is an appliances and white goods retailer, operating primarily via its website: <https://markselectrical.co.uk>¹⁹ (the **Website**). Consumers can browse the various products offered for sale on the Website. Upon selecting the products they wish to purchase, consumers are able to enter directly into a contract, via the Website, with the Respondent for the purchase and supply of these products.²⁰ During the online ordering process on the Website, consumers can order the delivery of the product(s) they purchase to their home, which the Respondent provides via its own in-house delivery team.²¹

¹⁸ Section 182 of the DMCC Act.

¹⁹ The Respondent also accepts orders via phone and at the click-and-collect showroom in Leicester, however the conduct described within this FIN is focussed on its online business operations.

²⁰ See *Q17. Marks Electrical Terms and conditions Sept25.pdf (MTL-00000029)*, regarding placing an order and its acceptance, specifically paragraph 5.1, which states, “Each order is an offer by you to buy the Goods subject to these terms” and paragraph 5.4 which states, “Our acceptance of your order takes place when we send an email to you confirming that we have accepted your order, at which point the contract between you and us will come into existence.”

²¹ The Respondent has submitted that the availability of delivery and delivery-related services was dependent on operational constraints, and therefore it was unable to provide delivery or delivery-related services to a small number of postcodes in mainland Great Britain. See *Response to Annex 1.doc (MTL-00000007)*, the Respondent’s response to Information Notice 1, pages 21-22.

- 2.4 The Respondent also provides additional, paid services relating to product delivery, installation and the removal and recycling of appliances and the associated packaging, which are available for consumers to purchase during the order process. This FIN relates to the conduct of the Respondent in relation to two of these additional, paid services:
- (a) the 'Recycle Old Appliance' service; and
 - (b) the 'Unwrap & Recycle Packaging' service, during the Relevant Period.
- 2.5 The Recycle Old Appliance service involved the removal of the consumer's old appliance at the time of delivery for the purpose of recycling. The Unwrap & Recycle Packaging service involved unwrapping, removing and recycling the packaging for newly purchased product(s) at the time of delivery. Both services were carried out by the Respondent's delivery team, and both carried an additional charge for the consumer.²²
- 2.6 When a consumer visited the Website during the Relevant Period and placed a relevant product (**Relevant Product**) into their online shopping basket,²³ one or both of the Recycle Old Appliance and Unwrap & Recycle Packaging services were pre-selected for purchase. They were automatically added to the consumer's online shopping basket without the consumer taking any action to select them. Consumers were required to manually remove these additional, paid services from their shopping basket, if they did not want to purchase them, by unselecting the pre-selected boxes. This is illustrated in **Annex A** of this FIN.
- 2.7 In the Respondent's responses to the notice issued under paragraph 14 of Schedule 5, Part 3 of the Consumer Rights Act 2015 sent on 17 November 2025 (**Information Notice 1**) and the notice issued under paragraph 14 of Schedule 5, Part 3 of the Consumer Rights Act 2015 sent on 13 February 2026 (**Information Notice 2**), it provided information about the presentation of these additional, paid services to consumers during the Relevant Period. These responses confirmed that both the Recycle Old Appliance and the

²² Response to Q9 of Information Notice 1 (*MTL-00000072*) shows that during the Relevant Period, the additional charges were on occasion discounted or offered for free as part of promotional activity. The spreadsheet lists the range of prices charged for each of the services for each day of the Relevant Period. As a result, variations of the consumer journey set out at Annex A were possible during the Relevant Period.

²³ Response to Q18 of Information Notice 1 (*MTL-00000031*). Not all product categories sold by the Respondent on the Website presented these optional charges: of 168 product categories available on the Website, 111 presented optional additional charges to consumers, and of these 111 product categories 95 of them involved the use of pre-selected boxes for one or both of the additional, paid services.

Unwrap & Recycle Packaging services were, for Relevant Products, included via pre-selected boxes throughout the whole of the Relevant Period.²⁴

- 2.8 The inclusion of the additional, paid services via pre-selected boxes ceased on 17 November 2025, immediately following receipt of the CMA's Case Opening Letter.²⁵
- 2.9 The CMA is satisfied that the Respondent engaged in the following conduct during the Relevant Period:
- (a) The Respondent, via the use of pre-selected boxes, took payments from consumers for additional, paid services – namely, the Recycle Old Appliance and/or Unwrap & Recycle Packaging services – when a consumer ordered a Relevant Product from the Website. The Respondent inferred consent for the payments from the consumer not changing the default option.
 - (b) On 52,997 instances in total during the Relevant Period, either or both of the Recycle Old Appliance and Unwrap & Recycle Packaging services were pre-selected, automatically added to consumer baskets, purchased and charged for.²⁶
- 2.10 The total value of the Recycle Old Appliance and Unwrap & Recycle Packaging additional, paid services levied on consumers without obtaining express consent during the Relevant Period was **£601,914**.²⁷

Legal assessment

Relevant infringement

- 2.11 A commercial practice is a relevant infringement²⁸ if it:

²⁴ Response to Q8 of Information Notice 1 (**MTL-000000007**).

²⁵ The CMA received an email from the Respondent at 17:33 on 17 November 2025 (**MTL-000000164**) confirming that it had “*already taken proactive steps to further align our presentation of optional services with the CMA's most recent expectations under the Digital Markets, Competition and Consumers Act 2024*”.

²⁶ Response to Q3 of Information Notice 2 (**MTL-000000215**). The ‘Recycle Old Appliance’ service was automatically added to consumer baskets, purchased and charged on 17,856 instances. The ‘Unwrap & Recycle Packaging’ service was automatically added to consumer baskets, purchased and charged on 35,141 instances. Please note that the number of ‘instances’ where pre-selected, additional, paid services were added to the consumer basket is higher than the number of ‘orders’ from the Website, as some of the orders during the Relevant Period contained more than one pre-selected, additional, paid service.

²⁷ The figures provided by Marks Electrical on 5 March 2026 in *CMA 050326.xlsx* (**MTL-000000216**), were exclusive of VAT, the figures here are inclusive of VAT to reflect the total loss to consumers.

²⁸ Section 148 of the DMCC Act.

- (a) harms the collective interests of consumers;²⁹
- (b) meets the UK connection condition;³⁰ and
- (c) meets the specified prohibition condition.³¹

Commercial practice

2.12 A relevant infringement must be a 'commercial practice'. This includes an act or omission by a trader relating to the promotion or supply of goods, services or digital content to a consumer.³² A 'consumer' means an individual acting for purposes that are wholly or mainly outside the individual's business, and a 'trader' includes a person acting for purposes relating to their business.³³

2.13 Each instance of the conduct constitutes a 'commercial practice' pursuant to section 148(2) of the DMCC Act, because:

- (a) the Respondent is an online appliances and white goods retailer and is therefore a trader;
- (b) the Respondent sells these appliances and white goods through the Website to consumers in the UK for domestic use; and
- (c) the Respondent's practice of using pre-selected boxes to automatically add additional, paid services to the consumer basket on its Website is an act by the Respondent relating to the promotion or supply of its goods and services to a consumer.

Harm to the collective interests of consumers

2.14 Pursuant to section 148(1)(a) of the DMCC Act, a commercial practice must harm the collective interests of consumers to constitute a relevant infringement.

2.15 Under section 148(5) of the DMCC Act, references to consumers include persons who may become consumers in the future; and the collective interests of consumers are capable of being harmed by a single act or omission (as well as by repeated acts or omissions).

²⁹ Section 148(1)(a) and (5) of the DMCC Act.

³⁰ Section 149 of the DMCC Act.

³¹ Section 150 of the DMCC Act.

³² Section 148(2) of the DMCC Act.

³³ Section 148(2) of the DMCC Act.

2.16 The concept of ‘harm to the collective interests of consumers’ has been discussed in caselaw interpreting the parallel references under Part 8 of the Enterprise Act 2002, notably in *OFT v MB Designs (Scotland) Ltd* 2005 SLT 691; *OFT v Vance Miller* 2009 EWCA Civ 34 and *OFT v Purely Creative Ltd* 2011 EWHC 106 (Ch). The following principles follow from these cases:

- (a) there must be harm to a section of the public and not just to an individual consumer;
- (b) this will usually be inferred from an accumulation of a number of individual breaches (which need not be identical in nature);
- (c) however, it could be one breach provided it affected a number of people; and
- (d) a risk of repetition can be harmful to the collective interests of consumers.

2.17 The Respondent’s commercial practices during the Relevant Period – that is, taking payments for additional services which are pre-selected and automatically added to the consumer’s online shopping basket – had the potential to affect any consumer who sought to purchase a Relevant Product on the Website. The commercial practices applied generally on the Website and had the potential to affect anyone accessing it. Based on the information provided by the Respondent, approximately 39,736 orders on the Website during the Relevant Period included an additional, paid service that was pre-selected and charged.³⁴ Consequently, the CMA is satisfied that at least this many consumers were affected by the Respondent’s commercial practices.³⁵ As such, the CMA is satisfied that the Respondent’s commercial practices harmed the collective interests of consumers.

The UK connection condition

2.18 Pursuant to section 148(1)(b) of the DMCC Act, a commercial practice meets the UK connection condition if at least one of the following conditions is met:³⁶

- (a) the trader has a place of business in the UK; or

³⁴ Figure calculated from Q16. RAW DATA.FY2025.Analysis.xlsx (MTL-00000215), provided by the Respondent in response to Q3 of Information Notice 2.

³⁵ Some consumers may have also been presented with the commercial practices without going on to purchase a product.

³⁶ Section 149 of the DMCC Act.

- (b) the trader carries on business in the UK; or
- (c) the commercial practice occurs in the carrying on of activities by the trader that are, by any means, directed to consumers in the UK.

2.19 Pursuant to section 149 of the DMCC Act, the CMA is satisfied that the UK connection condition is met in this case because the Respondent is a company registered in the UK,³⁷ has a place of business in the UK and carries on business in the UK.³⁸

The specified prohibition condition

2.20 A commercial practice meets the specified prohibition condition for the purposes of section 148 of the DMCC Act as it applies for the purposes of Chapter 4 of Part 3 of the DMCC Act, if it is in breach of an enactment listed in Schedule 16 of the DMCC Act.

2.21 All regulations within the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 are included within the enactments listed in Schedule 16 of the DMCC Act.

2.22 As more fully explained below at paragraphs 2.23 to 2.28, the CMA is satisfied that the Respondent's commercial practices during the Relevant Period meet the specified prohibition condition, namely: taking payments from consumers for additional, paid services without obtaining express consent, under Regulation 40 of the CCRs, for the reasons set out below.

Breach of Regulation 40 CCRs

2.23 The Respondent took payment from consumers for additional services during the Relevant Period without obtaining express consent. Regulation 40(1) of the CCRs states:

“Additional payments under a contract

40(1) Under a contract between a trader and a consumer, no payment is payable in addition to the remuneration agreed for the trader's main obligation unless, before the consumer became bound by the contract, the trader obtained the consumer's express consent.

³⁷ Response to Q2 of Information Notice 1 (*MTL-000000007*). See also footnote 1, which sets out the Respondent's company number and registered office.

³⁸ Section 149(1)(a) and 149(1)(b) of the DMCC Act.

(2) *There is no express consent (if there would otherwise be) for the purposes of this paragraph if consent is inferred from the consumer not changing a default option (such as a pre-ticked box on a website).*

(3) *This regulation does not apply if the trader's main obligation is to supply services within regulation 6(1)(b), but in any other case it applies even if an additional payment is for such services.*

(4) *Where a trader receives an additional payment which, under this regulation, is not payable under a contract, the contract is to be treated as providing for the trader to reimburse the payment to the consumer."*

- 2.24 The Respondent's "*main obligation*" under the contract³⁹ with a consumer is to sell and supply them with Relevant Product(s) the consumer has ordered from the Respondent via the Website.⁴⁰ Consequently, the Recycle Old Appliance and Unwrap & Recycle Packaging services are additional, paid services which are supplementary to the Respondent's main contractual obligation,⁴¹ as not all consumers will require such services.
- 2.25 Pursuant to Regulation 40(1) of the CCRs, the Respondent must obtain "*the consumer's express consent*" to lawfully take payment for services which are in addition to the remuneration agreed for the trader's main contractual obligation.
- 2.26 During the Relevant Period, when shopping for Relevant Products,⁴² additional, paid services were pre-selected and automatically added to some consumers'⁴³ online shopping baskets (in addition to the Relevant Products which the consumer had chosen to buy) – namely the Recycle Old Appliance

³⁹ See Q17. *Marks Electrical Terms and conditions Sept25.pdf (MTL-00000029)*, provided by the Respondent in response to Q17 of Information Notice 1, which make clear that the Respondent's main obligation under contract with a consumer is to sell and supply them with their chosen product(s); see paragraphs 5.1 and 5.4. The Terms and Conditions also define 'Goods' as "*the goods specified in your order*", which does not cover any additional services.

⁴⁰ The exclusion in Regulation 40(3) of the CCRs, which applies to services within the scope of Regulation 6(1)(b) CCRs (services of a banking, credit, insurance, personal pension, investment or payment nature), does not apply.

⁴¹ See paragraph 6.6 of Q17. *Marks Electrical Terms and conditions Sept25.pdf (MTL-00000029)*, provided by the Respondent in response to Q17 of Information Notice 1, titled "*Additional Services*", which specifically refers to "*Old Product Collection*" and "*Unwrap and Remove Packaging*" as additional services.

⁴² Q18. *Category definitions with displayed and defaulted charges.xlsx' (MTL-000000031)*, provided by the Respondent in response to Q18 of Information Notice 1, provides a breakdown of which product categories the default charges were applied to.

⁴³ See paragraph 2.9(b), which explains that on 52,997 instances in total during the Relevant Period, either or both of the Recycle Old Appliance and Unwrap & Recycle Packaging services were pre-selected, automatically added to consumer baskets, purchased and charged for.

and/or Unwrap & Recycle Packaging services.⁴⁴ Consumers were required to take action to manually deselect these additional, paid services to avoid purchasing them.

- 2.27 As Regulation 40(2) of the CCRs makes clear, there is no express consent for the purposes of Regulation 40(1) of the CCRs, if consent is inferred from a consumer not changing a default option, such as a pre-ticked box on a website.
- 2.28 As a result, the Respondent's commercial practices, which inferred consent for additional payments from consumers not changing the pre-selected options, do not meet the requirements of "*express consent*"⁴⁵ and the CMA is therefore satisfied that the Respondent was in breach of Regulation 40(1) of the CCRs during the Relevant Period.

Conclusion on the Respondent's conduct

- 2.29 For the reasons set out above, the CMA is satisfied that the Respondent engaged in relevant infringements for the purposes of section 148 of the DMCC Act during the Relevant Period – namely that:
- (a) the Respondent engaged in commercial practices which meet the specified prohibition condition in section 150 of the DMCC Act, specifically taking payments from consumers for additional services without obtaining express consent in breach of Regulation 40 of the CCRs;
 - (b) the Respondent's commercial practices harmed the collective interests of consumers; and
 - (c) the Respondent's commercial practices meet the UK connection condition in section 149 of the DMCC Act.

⁴⁴ These additional charges were on occasion discounted or offered for free as part of promotional activity. See footnote 22.

⁴⁵ Regulation 40(2) of the CCRs.

3. DIRECTIONS

Directions not to repeat the infringing practices

3.1 Pursuant to section 182(4)(a) of the DMCC Act, the CMA imposes the directions set out in paragraph 3.2 and 3.3 below which it considers appropriate for, or in connection with, the purpose of securing that the Respondent does not repeat the infringing practices and does not engage in the infringing practices in the course of the Respondent's business or another business and does not consent or connive in the carrying out of the infringing practices by a body corporate with which the Respondent has a special relationship pursuant to section 220 of the DMCC Act.

Directions

3.2 The Respondent shall ensure that, under a contract between the Respondent and a consumer, whether entered into via the Website⁴⁶ or otherwise, no payment is payable by a consumer in addition to the remuneration agreed for the Respondent's main obligation under the contract unless, before the consumer becomes bound by the contract, the Respondent has obtained the consumer's express consent.

3.3 For the purposes of paragraph 3.2:

- (a) the Respondent's main obligation(s) under a contract with a consumer includes selling and supplying them with the Relevant Products the consumer has ordered from the Respondent when the order is made via the Website.⁴⁷
- (b) the Respondent, in particular:
 - (i) will ensure that any present or future additional, paid services are not pre-selected or otherwise automatically added to a consumer's online shopping basket on the Website as a default option; and

⁴⁶ For the purposes of these directions, 'Website' means the <https://markselectrical.co.uk/> website (in any form including, but not limited to, 'desktop', 'mobile' and 'app' based formats).

⁴⁷ See paragraph 2.24 above.

- (ii) will not rely on a consumer not changing such default options to infer that the consumer has consented to pay for such services.
- (c) Additional, paid services include, but are not limited to, the Recycle Old Appliance and Unwrap & Recycle Packaging services.

Enhanced consumer measures

- 3.4 Pursuant to sections 182(4)(a) and 183 of the DMCC Act, the CMA further imposes the directions set out in **Annex B**, requiring the Respondent to take ECMs.
- 3.5 Directions contained in a FIN may include directions requiring the Respondent to take such ECMs as the CMA considers just and reasonable.⁴⁸ Having considered the factors set out in section 183(2) of the DMCC Act, in deciding whether ECMs are proportionate, the CMA considers that it is just and reasonable to require the taking of ECMs for the following reasons:
- (a) The first ECM is a compliance measure to prevent or reduce the risk of the occurrence or repetition of the infringing practices. Given that these practices were carried out with the knowledge of, and without being prevented by, senior management, it is appropriate to impose directions to ensure that such practices are not repeated. This measure will benefit consumers by reducing the risk of the infringing practices reoccurring, and the costs of implementation incurred by the Respondent are likely to be low.
 - (b) The second ECM is a redress measure, which requires the Respondent to provide redress to Affected Consumers (as defined in Annex B to this FIN).⁴⁹ The CMA requires the Respondent to provide compensation equivalent to the amount paid by consumers for additional services which were pre-selected and automatically added to consumers' online shopping baskets without obtaining their express consent during the Relevant Period. The redress to be paid will exclude any payments taken for additional, paid services during the Relevant Period which have already been refunded to consumers. This redress measure will benefit consumers, because it will put them in the financial position they would have been in had the Respondent not taken payments from them for the additional, paid service(s) without obtaining

⁴⁸ Section 183 of the DMCC Act.

⁴⁹ Section 221(1)(a) and 221(2)(a) of the DMCC Act.

their express consent.⁵⁰ This also reflects the provisions of Regulation 40(4) of the CCRs which require traders to reimburse payments taken in breach of Regulation 40.

- (c) The Respondent has informed the CMA that it does not hold payment details for all consumers who made payments for the additional, paid services during the Relevant Period. However, it is able to access consumers' payment details from its payment providers and has confirmed that it would be able to process a payment to each of the affected consumers.⁵¹ The CMA considers that any administrative costs incurred by the Respondent in processing payments to affected consumers are likely to be reasonable. In any event, the Respondent is liable to reimburse affected consumers pursuant to Regulation 40(4) of the CCRs.
- (d) The CMA does not anticipate any likely cost to consumers of obtaining the benefit of the redress measure, given the reimbursement of affected consumers will be facilitated by the Respondent.⁵²

⁵⁰ Section 183(2)(a) of the DMCC Act.

⁵¹ Response to Q12 of Information Notice 2 (*MTL-00000212*).

⁵² Section 183(2)(c) of the DMCC Act.

4. MONETARY PENALTY

- 4.1 Pursuant to section 199 of the DMCC Act, the CMA has published a statement of policy in relation to the exercise of its powers to impose monetary penalties in direct enforcement cases. This is set out in Chapter 7 of CMA200. The CMA must have regard to this policy in deciding whether to impose the penalty, and if so, the nature and amount of the penalty.
- 4.2 As set out in CMA200,⁵³ the CMA will have regard to certain policy objectives when considering whether to impose a penalty, and the amount of such penalty. In particular, the CMA's objectives in imposing penalties are to:
- (a) deter infringements and incentivise compliance with both consumer law and remedies, whether agreed or imposed, in order to protect consumers;
 - (b) reflect the seriousness of infringements and breaches that the CMA finds to have occurred; and
 - (c) encourage parties to co-operate fully with CMA investigations, so that the CMA is able to take timely decisions based on accurate and complete information.
- 4.3 The CMA is satisfied that the Respondent has engaged in commercial practices constituting relevant infringements as defined in section 148 of the DMCC Act and imposes on the Respondent a requirement to pay a monetary penalty.⁵⁴ In determining whether a penalty should be imposed on the Respondent (as opposed to accepting undertakings without a penalty), the CMA has considered several factors in accordance with the policy objectives set out in Chapter 7 of CMA200 which make it appropriate to impose a penalty, namely:
- (a) the requirements of Regulation 40 of the CCRs are clear;
 - (b) while the CMA can only impose a monetary penalty in relation to conduct which took place after the commencement date of Part 3 of the DMCC Act, the conduct has been unlawful since the CCRs came into force on 13 June 2014;⁵⁵
 - (c) the CMA has been motivated by the need to promote trust and confidence among consumers so that they can rely on traders acting

⁵³ CMA200, paragraphs 7.7 to 7.10.

⁵⁴ Section 182(4)(b) of the DMCC Act.

⁵⁵ See footnote 6 above.

lawfully, as well as to ensure that consumers do not pay more than they need to;

- (d) ensuring that competing businesses which do not engage in the infringing conduct are not put at a disadvantage by, amongst other things, potentially missing out on income attributable to the infringing conduct; and
- (e) the penalty provisions of the DMCC Act are underpinned by a concern to deter infringements and incentivise traders to comply with the law.

4.4 Pursuant to section 203(1)(b) of the DMCC Act, the following paragraphs set out the grounds which justify giving the giving of this penalty and its amount.

4.5 As set out in paragraph 1.3 above, the Respondent has admitted that it had engaged in conduct which constitutes a relevant infringement for the purposes of section 148 of the DMCC Act and has agreed to comply with the Conditions of Settlement. In light of these admissions, its agreement to an expedited process for concluding the investigation and to comply with the Conditions of Settlement, the CMA has applied a settlement discount of 40% to the Respondent's penalty (**Settlement Discount**). This Settlement Discount is dependent on the Respondent's continued compliance with the Conditions of Settlement and will be withdrawn in the event of non-compliance in line with the CMA's settlement policy.⁵⁶

Amount of monetary penalty

4.6 The penalty is a fixed sum amounting to £1,200,000. The penalty after the application of the Settlement Discount⁵⁷ is a fixed sum amounting to £720,000.

Penalty calculation

Turnover for purpose of determining starting point

4.7 For substantive infringements and breaches of undertakings and directions, notwithstanding the statutory cap, the CMA will generally determine a starting point of up to 30% of the party's UK turnover, which will generally be

⁵⁶ CMA200, paragraphs 4.73 and 7.49.

⁵⁷ See paragraphs 4.39 to 4.44.

the amount derived in connection with the direct or indirect sale or provision of products to customers (businesses or consumers) in the UK.⁵⁸

- 4.8 The concept of 'UK turnover' in this context is not a statutory concept.⁵⁹ Notwithstanding this, where appropriate, the CMA will generally expect to apply the same principles set out in The Digital Markets, Competition and Consumers Act 2024 and Consumer Rights Act 2015 (Turnover and Control) Regulations 2024 (**Turnover Regulations**) to how the CMA calculates 'UK turnover' for the purpose of setting the starting point described above.⁶⁰
- 4.9 Pursuant to the Turnover Regulations, the relevant period to be used when calculating turnover for the purpose of establishing the applicable statutory caps under the DMCC Act and the Consumer Rights Act 2015 is the last '**Accounting Period**' that ends before, in the case of a substantive penalty for a consumer law infringement, the date the PIN was issued.⁶¹ If the figures necessary to calculate this turnover are not available to the CMA on the date the PIN is issued, the relevant turnover is the turnover in the preceding Accounting Period.⁶² The relevant Accounting Period for the purposes of the statutory cap based on the date of the PIN is the period ending 31 March 2026. However, as audited accounts are not available for this period, the CMA has decided to base its calculations on the audited accounts for the preceding period (2024/2025).⁶³
- 4.10 As with the statutory cap, UK turnover will be calculated to include, where a person controls another person or is controlled by another person, the UK turnover of that other person.⁶⁴ The CMA's policy relating to the exercise of its powers to impose a monetary penalty is that, where an infringement has ceased, the CMA will base its calculations for the purposes of the starting point on the Accounting Period ending before the date the infringement ceased.⁶⁵ Accordingly, the CMA has assessed that the Respondent's turnover for the purpose of determining the starting point is its UK turnover

⁵⁸ CMA200, paragraph 7.16.

⁵⁹ CMA200, Annex D: Summary of how the CMA intends to determine turnover, paragraph 7. The concept of 'UK turnover' is not defined in the DMCC Act or in Part 3 of Turnover Regulations.

⁶⁰ CMA200, Annex D: Summary of how the CMA intends to determine turnover, paragraph 7.

⁶¹ CMA200, Annex D: Summary of how the CMA intends to determine turnover, paragraph 17.

⁶² CMA200, Annex D: Summary of how the CMA intends to determine turnover, paragraph 19.

⁶³ Regulation 5(4) of the Turnover Regulations and CMA200, Annex D: Summary of how the CMA intends to determine turnover, paragraph 12. The CMA will typically base its calculation of turnover on figures from audited accounts: the Respondent's filings on Companies House indicate that audited accounts are usually filed in November to December each year.

⁶⁴ CMA200, paragraph 7.17.

⁶⁵ CMA200, Annex D: Summary of how the CMA intends to determine turnover, paragraph 24.

derived from transactions during the 2024/2025 financial year:
£117,181,000.

Step 1: Starting point

- 4.11 The CMA will determine the starting point for a penalty based on a percentage of the relevant UK turnover. This percentage starting point will be determined taking account of the seriousness of the infringements, and the relevant infringement category, by reference to the harm caused by the infringements, or the risk of harm from the infringements, and the culpability of the party.⁶⁶

Step 1A: Determining the level of harm

- 4.12 When assessing whether there has been ‘major’, ‘significant’, ‘moderate’, or other harm, the CMA will consider the total estimated economic harm to consumers as a whole (if any) and the total estimated non-economic harm caused to consumers as a whole (if any).⁶⁷ Where relevant, the CMA will also consider wider impacts on consumers due to the likely impact on fair dealing businesses and on markets as a whole.⁶⁸ In cases where the CMA is unable to estimate or quantify harm or gain, the CMA will use the available evidence to determine the category which it considers is fair in all the circumstances.⁶⁹
- 4.13 Having considered the factors set out at paragraphs 7.26 to 7.32 of CMA200, the CMA considers that the relevant infringements caused **moderate economic or non-economic harm to consumers**. This is because:
- (a) It is important that consumers have genuine choice over whether to pay for an additional product (for example, a good or service) that they may or may not wish to purchase and is outside of the trader’s main contractual obligation. By adding a pre-selected additional, paid service to the consumer’s online shopping basket without obtaining their express consent, the Respondent restricts the choice of consumers on its Website, who must manually opt out of these additional, paid services.

⁶⁶ CMA200, paragraph 7.25.

⁶⁷ CMA200, paragraph 7.27.

⁶⁸ CMA200, paragraph 7.27.

⁶⁹ CMA200, paragraph 7.31.

- (b) The specific consumer harm will also depend on a number of other factors including:
- (i) the number of consumers affected; and
 - (ii) the value of the products – specifically, the pricing of the pre-selected additional, paid services.
- (c) Applying these considerations to the specific facts of this case, during the Relevant Period:
- (i) the pre-selected, additional, paid services were priced at £3.50, £7 or £20;
 - (ii) consumers were charged a total of £601,914 for the Recycle Old Appliance and Unwrap & Recycle Packaging services,⁷⁰ with the Respondent generating a revenue of £501,595 from these pre-selected, additional, paid services;⁷¹
 - (iii) the Respondent generated a profit of £[~~0~~] from the pre-selected additional, paid services;⁷²
 - (iv) there were 39,736 orders from the Website which included a pre-selected, additional, paid service;⁷³
 - (v) within the 39,736 orders specified in paragraph 4.13(c)(iv) above were 52,997 instances where either or both of the Recycle Old Appliance and Unwrap & Recycle Packaging services were pre-selected, automatically added to consumer baskets, purchased and charged for.⁷⁴

⁷⁰ Figure calculated from Q16. *RAW DATA.FY2025.Analysis.xlsx (MTL-00000215)*, provided by the Respondent in response to Q3 of Information Notice 2.

⁷¹ The revenue figure provided by Marks Electrical on 5 March 2026 in *CMA 050326.xlsx (MTL-00000216)*, has been recalculated by the CMA, as the Respondent rounded figures in its calculation process.

⁷² See Q3 of the *Response to Annex 1 260226.docx (MTL-00000212)* provided by the Respondent in response to Q16 of Information Notice 1. This figure excludes pre-selected, additional services which were offered free of charge.

⁷³ Figure calculated from Q16. *RAW DATA.FY2025.Analysis.xlsx (MTL-00000215)*, provided by the Respondent in response to Q1 of Information Notice 1, provided by the Respondent in response to Q3 of Information Notice 2.

⁷⁴ Response to Q3 of Information Notice 2 (*MTL-00000215*). The 'Recycle Old Appliance' service was automatically added to consumer baskets, purchased and charged on 17,856 instances. The 'Unwrap & Recycle Packaging' service was automatically added to consumer baskets, purchased and charged on 35,141 instances. Please note that the number of 'instances' where pre-selected, additional, paid services were added to the consumer basket is higher than the number of 'orders' from the Website, as some of the orders during the Relevant Period contained more than one pre-selected, additional, paid service.

- (vi) the average harm to each consumer was approximately £15.15 (i.e. the average price paid for pre-selected, additional, paid services, per order);⁷⁵ and
- (vii) the infringing conduct which is the subject matter of the FIN lasted for approximately 225 days, from the entry into force of Parts 3 and 4 of the DMCC Act on 6 April 2025 to 17 November 2025.⁷⁶ The Respondent ceased the infringing conduct when it was informed by the CMA that it was being investigated.

4.14 The CMA has not identified any escalating factors.⁷⁷

4.15 The CMA's assessment of the above factors in the round is that **Category 3** is appropriate to reflect the level of harm for the relevant infringements.

Step 1B: Determining the level of culpability

4.16 The CMA will look at the extent to which the act or acts of the party were the result of deliberate action by the party or were a genuine mistake. The categories in Table 3 of CMA200 are relative levels of culpability and the CMA will make a judgement as to the appropriate category based on the evidence before it. The CMA is not required to identify a deliberate intention to break the law, in order to place behaviour in the 'high' culpability category.

4.17 Having considered the factors set out at paragraph 7.34 of CMA200, and, in particular, the factors listed in Table 3 of CMA200, the CMA considers that **the appropriate level of culpability for the relevant infringements is high.**

4.18 In reaching this conclusion, the CMA considers that the Respondent chose to introduce the practices which amounted to the relevant infringements – rather than accidentally engaging in them – and that senior management

⁷⁵ This figure of £15.15 is the total price paid by customers (£601,914) divided by the number of orders (39,736) from the Website which included a pre-selected, additional, paid service. This is a proxy figure for harm per consumer. However, some customers may have made multiple orders.

⁷⁶ The CMA can only impose a monetary penalty in relation to conduct which takes place after the commencement date of Parts 3 and 4 of the DMCC Act – specifically, on or after 6 April 2025. Although the Respondent has provided the CMA with evidence confirming that these practices were first introduced in April 2013 and have consistently been in place since June 2019, for this reason the CMA has only included conduct after 6 April 2025 in the FIN.

⁷⁷ CMA200, paragraph 7.33.

were involved in the Respondent's decision to pre-select the additional, paid services during the consumer journey on the Website.⁷⁸ For example:

- (a) In a clarification of its response to Information Notice 1, the Respondent informed the CMA that, "*no written internal policy document, procedure document, or approval framework existed during the Relevant Period which set out rules, parameters, or approval criteria for when Default Additional Charges should be applied by category. Decisions relating to whether a service was enabled by default or presented as optional were taken directly by the Chief Executive Officer and communicated verbally to the IT team*".⁷⁹
- (b) In an email exchange between [redacted] of the Respondent and the Respondent's IT department, [redacted] requested that certain additional, paid services be pre-selected during the consumer journey on the Website.⁸⁰
- (c) An extract from the Respondent's risk register shows that it was aware of the need to comply with the law, specifically "*E-commerce law or regulation*", but did not consider that the practice of taking payments from consumers for additional services without obtaining express consent was in breach of consumer protection law at the time.⁸¹

4.19 To the extent a party exhibits behaviour that matches factors in more than one category, the party will be designated to the higher of the categories.⁸²

4.20 Although it is not necessary to assess further factors relevant to culpability, the CMA notes that the Respondent repeatedly engaged in the infringing practices⁸³ and that the CMA has published guidance and publicly taken action in relation to these types of practices.⁸⁴ These factors also point to a high level of culpability.

⁷⁸ For the avoidance of doubt, whilst the Respondent chose to engage in the infringing practices, the CMA does not consider that the Respondent deliberately sought to infringe consumer law.

⁷⁹ See page 7 of *Response to 9-01-26.docx (MTL-000000159)* provided by the Respondent in response to Information Notice 1.

⁸⁰ See Q16. *2018-01-24 MS to AG.eml (MTL-000000152)*.

⁸¹ Q16. *Marks Electrical Risk Register_Oct25 Excerpt.xlsx (MTL-000000022)*, provided by the Respondent in response to Q16 of Information Notice 1.

⁸² CMA200, paragraph 7.34.

⁸³ As noted in paragraph 2.17, based on the information provided by the Respondent, approximately 39,736 orders on the Website during the Relevant Period included an additional, paid service that was pre-selected and charged.

⁸⁴ See, for example, [Online Choice Architecture: How digital design can harm competition and consumers](#) and [Wowcher Group: consumer protection case](#).

Step 1C: Determining the starting point code (A, B, C or D)

- 4.21 Step 1C of the penalty calculation is set out in Table 4, paragraph 7.34 of CMA200, which sets out how the CMA should determine the starting point code. Applying the CMA's findings on harm and culpability above, the relevant starting point code for the relevant infringements is **B**.

Step 1D: Applying the starting point code

- 4.22 Starting point code B ranges from £150,000 or 15% (whichever is higher) up to £225,000 or 22.5% (whichever is higher).
- 4.23 Applying the considerations set out at paragraphs 4.11 to 4.21 above, the CMA considers that the appropriate starting point should be around the middle of the penalty range available, at **18%**.

Calculation at the end of step 1 for the infringements

- 4.24 The starting point for determining the level of penalty for the relevant infringements is therefore:
- **£21,092,580** (18% of £117,181,000)

Step 2: Adjustment for deterrence and to take account of the size of the party

- 4.25 Having determined an appropriate starting point, the CMA will consider whether it is likely to deter future infringements by the party and others.⁸⁵ To constitute an effective deterrent in this context, any penalty imposed should also exceed a party's likely actual gains from an infringement by a material amount.⁸⁶
- 4.26 The CMA has had regard to the relevant factors set out in paragraphs 7.36 to 7.40 of CMA200 and, in particular, whether the starting point is likely to be sufficient to deter future infringements by the party and others. In particular, the CMA has had regard to the size and financial position of the Respondent, the fact that the Respondent principally operates in the UK,⁸⁷ the fact that the penalty materially exceeds both the benefit the Respondent is likely to have achieved from the infringing conduct and the overall turnover

⁸⁵ CMA200, paragraph 7.36.

⁸⁶ CMA200, paragraph 7.40.

⁸⁷ See Q2 of the *Response to Annex 1.doc (MTL-00000007)*, provided by the Respondent in response to Information Notice 1.

generated by the sale of pre-selected additional, paid services, and the fact that the CMA is proposing to require the Respondent to pay redress by way of its directions.

- 4.27 The CMA considers that the penalty at the end of step 1 is sufficient to achieve deterrence. As such, the CMA has concluded that no further increase is necessary.

Step 3: Adjustment for aggravating/mitigating factors

- 4.28 The monetary penalty may be increased at step 3 where there are aggravating factors or decreased where there are mitigating factors.⁸⁸ Paragraph 7.42 of CMA200 states factors that the CMA may consider at this step.
- 4.29 The CMA has considered this step and does not consider that there are any aggravating or mitigating factors.

Calculation at the end of step 3 for the relevant infringements

- 4.30 The penalty for the relevant infringements at the end of step 3 is therefore:
- **£21,092,580** (100% of £21,092,580)

Step 4: Adjustment to ensure the penalty is proportionate and check that the penalty is within the statutory maximum

- 4.31 At step 4, the CMA will take a step back to check whether, in its view, the overall penalty reached after steps 1 to 3 is proportionate in the circumstances.⁸⁹ This is not a mechanistic assessment, but one of evaluation and judgement. The CMA is not restricted to imposing the lowest penalty that could reasonably be justified and it will select the figure which it considers is appropriate in all the circumstances of the case.⁹⁰
- 4.32 The law relating to payments which are payable in addition to the remuneration agreed for a trader's main obligation under a contract and taken without a consumer's express consent is clear. The CCRs came into force in the UK on 13 June 2014. Consequently, the CMA takes the Respondent's non-compliance with the CCRs seriously. However, the CMA has assessed the practices as causing moderate economic harm, and notes

⁸⁸ CMA200, paragraph 7.41.

⁸⁹ CMA200, paragraphs 7.43 to 7.45.

⁹⁰ CMA200, paragraph 7.44.

that these practices were neither central to the Respondent's business model nor a significant source of its revenue. Taking such factors into account, as well as the Respondent's size and financial position, the CMA has concluded that a reduction in the level of penalty is appropriate to ensure it is not disproportionate. The CMA has further concluded that the reduced penalty would still appropriately reflect the seriousness of the relevant infringements and act as a sufficient deterrent to both the Respondent and others who may commit similar infringements.

- 4.33 In reaching this conclusion the CMA has had regard to all the relevant circumstances,⁹¹ including that:
- (a) the CMA estimates that the revenue generated from the pre-selected additional, paid services accounts for only 0.74% of the Respondent's overall turnover during the Relevant Period;
 - (b) the infringing conduct which is the subject of this FIN lasted for less than a year (approximately 225 days, from the entry into force of Parts 3 and 4 of the DMCC Act on 6 April 2025 to 17 November 2025).⁹² The Respondent ceased the infringing conduct as soon as it was informed by the CMA that it was being investigated;⁹³
 - (c) the total value of the Recycle Old Appliance and Unwrap & Recycle Packaging additional, paid services levied on consumers without obtaining express consent during the Relevant Period was £601,914;
 - (d) the step 3 penalty of £21,092,580 represents 18% of the Respondent's worldwide turnover (which is the same as its UK turnover), and is significantly greater than any likely gains from the relevant infringements;
 - (e) the CMA is proposing to require the amount paid in pre-selected, additional, paid services to be refunded to consumers as redress;⁹⁴ and
 - (f) the final penalty must be large enough to have a deterrent effect.
- 4.34 The CMA also notes that, as recognised in the CMA's 'Approach to consumer protection' document, published 7 April 2025, penalties are likely

⁹¹ CMA200, paragraph 7.46.

⁹² See footnote 6 above, which explains how the CMA calculated the Relevant Period.

⁹³ The Respondent removed the pre-selected, additional, paid services from its website on 17 November 2025, the same day on which the CMA opened its investigation into the Respondent.

⁹⁴ Based on information received from the Respondent the amount of redress to be paid will be approximately £579,500 (which excludes any payments taken for additional, paid services during the Relevant Period which have already been refunded to consumers).

to be lower in the initial period of the regime, given the CMA can only impose a monetary penalty where infringing conduct takes place after the commencement date and therefore the duration of the conduct is likely to be shorter.⁹⁵ Accordingly, the same proportionality considerations may not all apply in future cases where the CMA takes enforcement action in respect of infringements of section 148 of the DMCC Act.

- 4.35 Assessing all the above factors in the round, the CMA has decided that a penalty of £1,200,000 would be appropriate. This amounts to a downward adjustment of around 94% to the step 3 penalty.
- 4.36 Following the proportionality assessment, the CMA will also adjust the penalty, if necessary, to ensure that it does not exceed the maximum penalty allowed by statute. The final amount of the penalty calculated according to the method set out above may not exceed £300,000 or, if higher, 10% of the worldwide turnover of the party.⁹⁶
- 4.37 No further adjustment has been made at this step as the penalty does not exceed the statutory cap.

Calculation at the end of step 4 for the relevant infringements

- 4.38 The penalty for the relevant infringements at the end of step 4 is therefore:
- **£1,200,000**

Step 5: Application of settlement discount

- 4.39 The penalty that the CMA imposes will be set at the conclusion of Step 4. However, the CMA may apply a discount to the amount of the penalty of up to 40% where the party has settled with the CMA, which will include, amongst other things, the admission and cessation of the infringements, as well as agreeing to adhere to the conditions of settlement. This means that if the party does not adhere to specified conditions of settlement, the party will be required to pay the full penalty without the discount.⁹⁷
- 4.40 The level of the discount the CMA will apply will depend upon the point at which the party engages with the CMA and settlement is agreed, as well as

⁹⁵ The CMA's Approach to consumer protection, paragraphs 3.12 to 3.14.

⁹⁶ CMA200, paragraphs 7.47 to 7.48.

⁹⁷ CMA200, paragraph 7.49.

the other factors set out in the Chapter 4 of CMA200 (Undertakings and settlement).⁹⁸

- 4.41 As set out in paragraph 1.3 above the Respondent has admitted that it has engaged in conduct which constitutes a relevant infringement for the purposes of section 148 of the DMCC Act in the terms set out in the PIN given to the Respondent on 29 April 2026,⁹⁹ and has agreed to comply with the Conditions of Settlement.¹⁰⁰
- 4.42 As set out at paragraph 4.5 above, in light of these clear and unequivocal admissions, the Respondent's agreement to an expedited process for concluding the investigation and to comply with the Conditions of Settlement, the CMA has applied a discount to the Respondent's penalty of 40%. The Settlement Discount is dependent on the Respondent's continued compliance with the Conditions of Settlement and will be withdrawn in the event of non-compliance in line with the CMA's settlement policy.¹⁰¹

Calculation at the end of step 5 for the relevant infringements

- 4.43 The penalty for the relevant infringements is therefore £1,200,000, and with the application of the Settlement Discount on the terms outlined above the amount of the penalty the Respondent must therefore pay is:
- **£720,000**

Conclusion on the imposition of a penalty

- 4.44 The CMA is satisfied that the Respondent has engaged in the relevant infringements and considers that the imposition of a fixed penalty of **£1,200,000** is appropriate on the basis of the steps set out above. The penalty payable after the application of the Settlement Discount is a fixed sum amounting to **£720,000**.
- 4.45 This penalty must be paid to the CMA by 15 December 2026. Payment of this penalty should be made to:¹⁰²

⁹⁸ CMA200, paragraph 7.50.

⁹⁹ Subject to limited amendments agreed between the CMA and the Respondent, which are now reflected in this FIN.

¹⁰⁰ As specified in the *Letter of Acceptance of conditions that apply to settlement and offer to settle* provided by the Respondent to the CMA on 3 June 2026 (**MTL-00000283**).

¹⁰¹ CMA200, paragraphs 4.73 and 7.49.

¹⁰² Section 203(1)(d) of the DMCC Act.



- 4.46 The Respondent may pay the penalty (or portions of it) earlier than the date or dates by which it is required to be paid.¹⁰³

Circumstances where the settlement discount may be withdrawn

- 4.47 The CMA may withdraw the application of the Settlement Discount, if:

- (a) the Respondent has not paid the penalty specified at paragraph 4.44 on 15 December 2026; or
- (b) the CMA considers that the Respondent or any member of the Respondent's group of interconnected bodies corporate¹⁰⁴ who has been given the FIN has not complied with one or more of the obligations in the Conditions of Settlement.¹⁰⁵

- 4.48 If the CMA withdraws the Settlement Discount, the Respondent (any member of the Respondent's group of interconnected bodies corporate) will become liable to pay the total penalty of £1,200,000 (less any amount already paid) and any reference in this FIN to a requirement to pay the penalty specified at paragraph 4.44 shall become a requirement to pay the total penalty of £1,200,000.

¹⁰³ Section 203(1)(f) of the DMCC Act.

¹⁰⁴ As defined in section 200 of the DMCC Act.

¹⁰⁵ As specified in the *Letter of Acceptance of conditions that apply to settlement and offer to settle* provided by the Respondent to the CMA on 3 June 2026 (**MTL-00000283**).

5. INTERCONNECTED BODIES CORPORATE

- 5.1 Section 200 of the DMCC Act permits a FIN to include provision for the requirements (or any particular requirements) imposed by the FIN on a respondent also to be binding upon all other members of the respondent's group of interconnected bodies corporate (in addition to the respondent), as if each of them were the respondent.
- 5.2 Pursuant to section 200 of the DMCC Act, the CMA considers that the following requirements on the Respondent by this FIN should also be binding upon all members of the Respondent's group of interconnected bodies corporate (in addition to the Respondent), as if each of them were the Respondent:
- (a) The directions in paragraphs 3.2 to 3.3 not to repeat the infringing practices.
 - (b) The directions set out in Annex B to take ECMs, in particular the payment of redress.
 - (c) The requirement to pay the penalty specified at paragraph 4.44.
- 5.3 The Respondent and each member of the Respondent's group of interconnected bodies corporate shall be jointly and severally liable for the Respondent's failure to comply with the directions to take ECMs as set out in Annex B and the requirement to pay the penalty specified at paragraph 4.44.
- 5.4 The CMA considers that it is just, reasonable and proportionate to include this provision having regard to the importance of effective enforcement of the requirements and the fact that the other members of the Respondent's group of interconnected bodies corporate would only become liable if:
- (a) in the case of the requirements set out in Annex B (directions to take ECMs) and the requirement to pay the penalty specified at paragraph 4.44, the Respondent were to fail to comply with the requirements; or
 - (b) in the case of the directions in paragraphs 3.2 to 3.3 not to repeat the practices, the interconnected body corporate fails to comply with those directions.
- 5.5 A member of the Respondent's group of interconnected bodies corporate will only be bound by the requirements set out in paragraph 5.2 once it has been given a copy of the FIN in accordance with section 200 of the DMCC Act and Rule 9 of the CMA Consumer Enforcement Rules.

5.6 For the purposes of this section a member of the Respondent's group of interconnected bodies corporate means any body corporate who at any time while the requirements are in force is, or becomes, a member of a group consisting of two or more bodies corporate, including the Respondent, all of whom are interconnected with each other (as defined in section 200 of the DMCC Act).

6. RIGHTS OF A PERSON TO WHOM THIS NOTICE IS GIVEN

Right to request a different payment date(s)

- 6.1 The Respondent may, within 14 days of the date on which this FIN is given to the Respondent, apply to the CMA to specify a different date or dates by which the penalty, or different portions of it, are required to be paid.¹⁰⁶ Where such an application has been made (a 'Time to Pay Request')¹⁰⁷, the penalty is not required to be paid until the application has been determined, withdrawn or otherwise disposed of.
- 6.2 Where a monetary penalty imposed under section 182 of the DMCC Act has not been paid by the date on which it is required to be paid, the CMA may (subject to the Respondent's right of appeal) recover from the person on whom the penalty was imposed any of the penalty and any interest which has not been paid.¹⁰⁸ Any such penalty and interest may be recovered summarily (or, in Scotland, recovered) as a civil debt by the CMA and the unpaid balance from time to time will carry interest at the statutory rate.

Right of Appeal

- 6.3 Pursuant to section 202 of the DMCC Act a person to whom a FIN is given may appeal to the appropriate appeal court against a decision to impose a monetary penalty by virtue of the notice, the nature or amount of any such penalty and the giving of directions by virtue of the notice.¹⁰⁹ Further details about this right can be found in **Annex C**.¹¹⁰
- 6.4 As set out at paragraph 1.3 the Respondent has agreed as part of the Conditions of Settlement not to exercise its right to appeal or otherwise challenge any matter set out in the FIN (for the avoidance of doubt the Respondent may still make a Time to Pay Request as set out in paragraph 6.1). If the Respondent or any member of the Respondent's group of interconnected bodies corporate appeals or otherwise challenges any matter set out in the FIN the CMA will withdraw the Settlement Discount, and may

¹⁰⁶ Section 203(4) of the DMCC Act.

¹⁰⁷ Paragraphs 6.25 to 6.26 of CMA200.

¹⁰⁸ Section 206 of the DMCC Act.

¹⁰⁹ Section 203(1)(h) of the DMCC Act.

¹¹⁰ It is a statutory requirement, under section 182(7)(d) of the DMCC Act, that a FIN state that the respondent has a right to appeal against the notice and the main details of that right.

apply to the court to strike out, seek summary judgment on or otherwise have any appeal notice disposed of on a preliminary basis.

15 June 2026

SIGNED

[✂]

Hayley Fletcher

Senior Director, Consumer Protection and Senior Responsible Officer for case 51652, for and on behalf of the Competition and Markets Authority

ANNEX A: Website screenshots

Consumer Journey for LG F4Y511WBLN1 Washing Machine

Figure 1: Product Page for LG Washing Machine.¹¹¹

Trustpilot 4.8/5 Next Day & Weekend Delivery (T&Cs apply) Sign up to Marks+ Sales: 0116 251 5515

Washers & Dryers / Washing Machines / Freestanding Washing Machines / LG / F4Y511WBLN1

50% OFF Installation

5 YEAR WARRANTY

LG 5 stars (19)

LG F4Y511WBLN1
Washing Machine, 11kg, 1400 Spin, White, A Rated

£429 Save £20 Was: £449

Choose your colour

Add to basket

1 Special offer

- In Stock
- Free or Next Day Delivery from 20th September*
- Installation & Recycling Available**
- Flexible Finance Options

EO today, then 3 instalments of £143, interest free when you choose a 3 month plan.

Key Features

- Product code: F4Y511WBLN1
- Capacity (kg) - 11
- Spin Speed (rpm) - 1400
- TurboWash
- Steam
- Warranty - 5 years parts and labour

Product Dimensions (HxWxD) (mm) - 850 x 600 x 620 (depth excludes knobs and door)

Sold as an Agent of Euronics Ltd.

A Energy Rating

£140 energy saving Bronze for energy savings

Summary

Full Specification

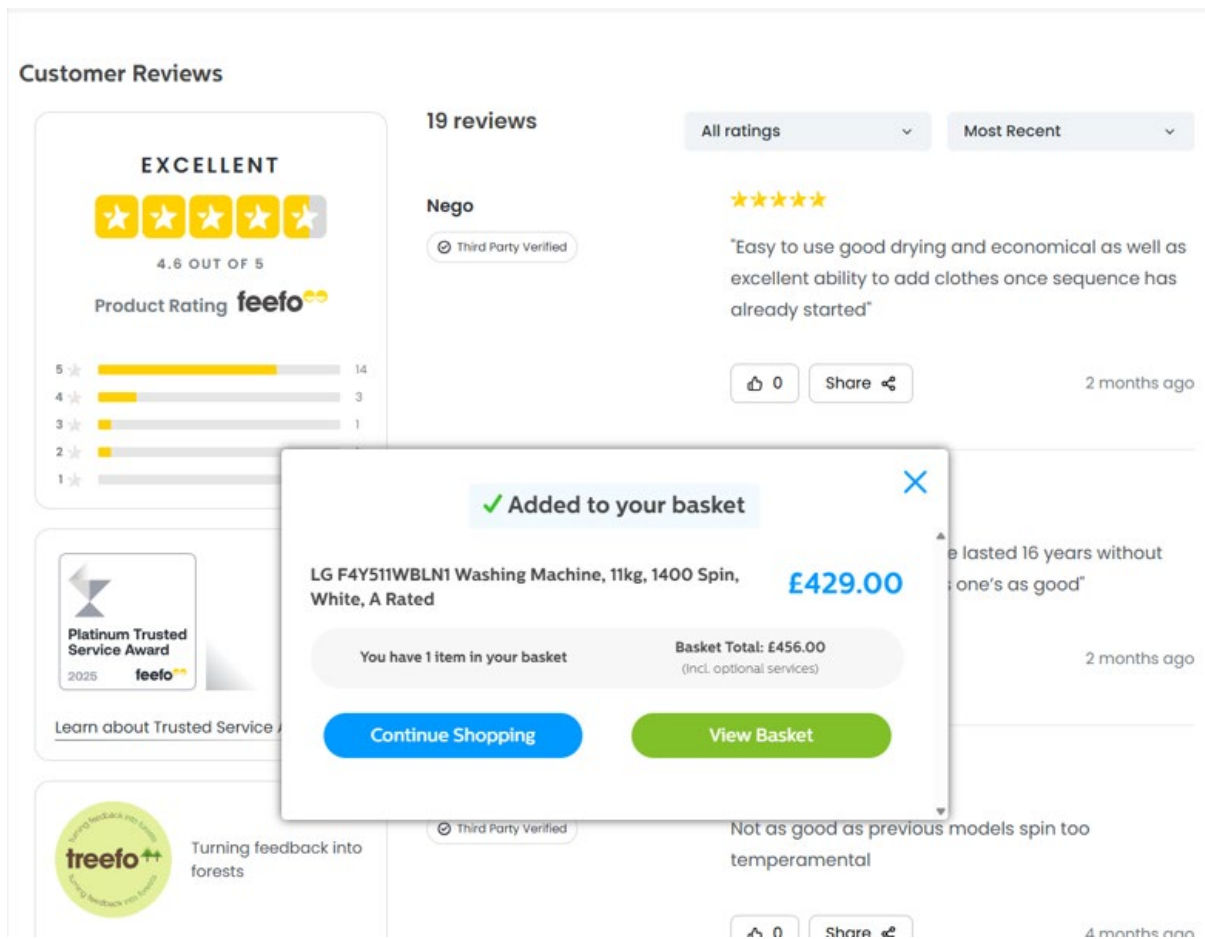
From the Manufacturer

Videos

Warranty

¹¹¹ Screenshot of product webpage for LG F4Y511WBLN1 washing machine (*MTL-00000177*), cropped for this document.

Figure 2: 'Added to your basket' pop up.¹¹²



¹¹² Screenshot of 'Added to your basket' pop-up for LG F4Y511WBLN1 washing machine (*MTL-00000179*), cropped for this document.

Figure 3: 'Your Shopping Basket' page.¹¹³

The screenshot shows the 'Your Shopping Basket' page on the Marks Electrical website. The page features a navigation bar with the company logo, a search bar, and various utility links like Help, Account, Trade, Track Order, and Basket. Below the navigation, there are category links (Laundry, Cooking, Dishwashers, etc.) and a Trustpilot rating of 4.8/5. The main heading is 'Your Shopping Basket', with a progress indicator showing four steps: 1. Products & Services, 2. Delivery, 3. Contact, and 4. Payment. The selected step is 'Products & Services', which includes options for 'Delivery' (selected) and 'Collect from store'. The main product is an LG F4Y511WBLN1 Washing Machine, 11kg, 1400 Spin, White, A Rated, priced at £429 (was £449), with a 'You save £20' badge and a note about '+ £27 Services'. Below the product, there are three product services: 'Recycle Old Appliance' (+ £20.00), 'Unwrap & Recycle Packaging' (+ £7.00), and 'Installation' (+ £30.00, was £60.00). On the right, there is a section for 'Use a promotional discount code' with an input field and an 'Apply' button. Below that, a summary table lists the items and their prices: LG Washing Machine (£429.00), Recycle Old Appliance (£20.00), Unwrap & Recycle Packaging (£7.00), and a Subtotal of £456.00. It also shows 'All Products (1)' for £429.00 and 'Product Services (2)' for £27.00. A 'Total' of £456.00 is displayed. A financing offer is shown: '£0 today, then 3 instalments of £152, interest free when you choose a 3 month plan. Read More'. A 'Proceed to Secure Checkout' button is prominently displayed, along with logos for various payment methods: VISA, Mastercard, Monero, PayPal, FRASERS PLUS, Klarna, and clearpay.

¹¹³ Screenshot of 'Your Shopping Basket' page for LG F4Y511WBLN1 washing machine (*MTL-00000188*), cropped for this document.

Annex B: ENHANCED CONSUMER MEASURES

Interpretation and defined terms

1. When a date or time period is specified, the obligation must be met by 17:00 hours in the time zone of the UK on the relevant day.
2. When a date is specified in this Annex B as being measured by reference to the FIN, the date of the FIN shall be counted as the first day of such a reference period.
3. If any date calculated in accordance with this Annex B should fall on a Saturday, Sunday or Bank Holiday in England, the relevant date shall instead be deemed to fall on the next Working Day immediately thereafter.
4. Defined terms for the purpose of the redress measures are set out below:
 - (a) 'Affected Consumer' means any Consumer who concluded a contract with the Respondent for an Affected Purchase and who has not already been refunded the amount of the charge for any additional, paid service associated with that Affected Purchase either at the date of the Automated Refund or the date of the Cheque Refund (as applicable).
 - (b) 'Affected Purchase' means a purchase of a product from the Website during the Relevant Period which incurred a charge for an additional, paid service which was automatically added to the Consumer's online shopping basket without the Consumer taking any action to select it.
 - (c) 'Automated Refund' means an instruction to the relevant payment service provider to refund back to the Affected Consumer the total sum that the Affected Consumer has paid for any additional, paid services associated with an Affected Purchase.
 - (d) 'Cash' means any bankable method of payment.
 - (e) 'Cheque Refund' means a cheque for a sum equal to the total sum that the Affected Consumer has paid the Respondent in respect of any additional, paid services associated with an Affected Purchase, excluding any sums:
 - (i) subject to a successful Automated Refund; and
 - (ii) for which a separate Cheque Refund has been made, in each case in respect of the Affected Consumer.

- (f) 'Consumer' means an individual acting for purposes that are wholly or mainly outside the individual's business.
- (g) 'Directions' means the directions set out in paragraphs 5 to 12 below, imposed under section 182(4) of the DMCC Act.
- (h) 'DMCC Act' means the Digital Markets, Competition and Consumers Act 2024.
- (i) 'FIN' means this final infringement notice given to the Respondent under section 182 of the DMCC Act.
- (j) 'Final Date' means the date one year from the date of the FIN.
- (k) 'Refund' means a repayment in Cash of the total sum that the Affected Consumer has paid the Respondent in respect of any additional, paid services associated with the Affected Purchase.
- (l) 'Relevant Period' means 6 April 2025 to 17 November 2025 inclusive.
- (m) 'Respondent' means Marks Electrical Limited, trading as 'Marks Electrical'.¹¹⁴
- (n) 'Website' means the Respondent's website <https://markselectrical.co.uk> (in any form including, but not limited to, 'desktop', 'mobile' and 'app' based formats).
- (o) 'Working Day' means a day other than a Saturday, Sunday or public holiday in England.

GENERAL

5. Within 10 Working Days of the date of the FIN, the Respondent shall give to the CMA the name and contact details of the Respondent's employee whom the CMA should contact in relation to any requests regarding the compliance of the Directions. The Respondent shall ensure that there is always a staff member with responsibility for this role and will keep the CMA updated with current contact details for as long as the Respondent has obligations under the Directions.

COMPLIANCE MEASURES

6. The Respondent shall conduct, on a quarterly basis, a review of the Respondent's terms and conditions and business practices to ensure they are compliant with consumer law, which will be documented and placed on Board meeting agendas

¹¹⁴ Registered company number 04463433. See footnote 1 for further details.

as a standing item, and if requested, the Respondent shall provide the CMA with a report of these quarterly reviews.

REDRESS MEASURES

Refunds to Affected Consumers

7. The Respondent shall:

- (a) within 90 days of the date of the FIN, send each Affected Consumer an email or letter,¹¹⁵ as appropriate, communicating:
 - (i) the reason for the Refund on terms the same as those set out in the Exhibit to this Annex B, other than text in square brackets or braces, which may be amended as appropriate for each Affected Consumer;
 - (ii) the process by which the Refund will be attempted; and
 - (iii) that Affected Consumers who have not received a refund automatically can contact the Respondent to provide valid payment information.
- (b) process an Automated Refund for all Affected Consumers for whom the Respondent holds valid payment information within 120 days of the date of the FIN.
- (c) send a Cheque Refund made payable to each Affected Consumer for whom the Respondent:
 - (i) has been notified that the Automated Refund made pursuant to paragraph 7(b) has failed; or
 - (ii) does not hold active payment detailswithin 150 days of the date of the FIN.
- (d) on request in writing by the CMA:
 - (i) display such clear and prominent notification as required by the CMA, regarding the availability of Refunds for Affected Consumers, on the homepage of the Website within seven days of the date of the request; and

¹¹⁵ If sent via email, the correspondence should be sent from a current customer service email address or another email address belonging to the Respondent which accepts replies into its inbox. If the Respondent uses a new email address to send out the correspondence, the email address should be visible on the Website so that Affected Consumers can confirm its authenticity.

- (ii) send such clear and prominent notification as required by the CMA, regarding the availability of Refunds for Affected Consumers, via email to all consumers signed up to receive marketing communications from the Respondent within seven days of the request.
- (e) consider each customer contact received in response to the notification in paragraph 7(a)(iii) and 7(d) above, and within seven Working Days assess whether the customer is an Affected Consumer who has not been refunded under paragraph 7(b) and (c) above. If the Respondent has assessed the customer contact as being from an Affected Consumer who has not been refunded under paragraph 7(b) and (c) above, it will:
 - (i) contact the Affected Consumer to inform the Affected Consumer that the Respondent will provide a Refund and ask for payment details; and
 - (ii) issue a Refund within 14 days of receipt of the Affected Consumer's response.
- (f) make a donation to an appropriate charity to be specified by the CMA of a sum equal to the undeposited amount of all Cheque Refunds as at the Final Date.

Reporting to the CMA

- 8. The Respondent shall provide a written update to the CMA within 120 days of the date of the FIN setting out the total number of Affected Consumers who have not yet had an Automated Refund.
- 9. The Respondent shall provide a written report to the CMA within five months of the date of the FIN. This report shall include the following information:
 - (a) the total number of Affected Consumers for whom an Automated Refund has been attempted in accordance with the time limit set out in paragraph 7(b) and the total value of those Refunds;
 - (b) the total number of Affected Consumers for whom an Automated Refund has been attempted in accordance with the time limit set out in paragraph 7(b) but which has been unsuccessful;
 - (c) the total number of Affected Consumers for whom Cheque Refunds have been sent in accordance with the time limit set out in paragraph 7(c) and the total value of those Cheque Refunds;
 - (d) the total number of Affected Consumers who:

- (i) have not yet had an Automated Refund; or
 - (ii) in respect of whom, a Cheque Refund has not been sent;
 - (e) the total value of all undeposited Cheque Refunds; and
 - (f) an explanation:
 - (i) as to the reasoning of paragraph 9(d); and
 - (ii) the steps that the Respondent has taken to make the relevant outstanding Refunds; and
 - (iii) confirmation (where applicable) of when these Refunds will be made.
- 10. The Respondent shall provide a further written report to the CMA every subsequent month, from six months of the date of the FIN until the Final Date, updating the CMA with the information referred to in paragraph 9(a) to (f).
- 11. The Respondent shall provide a written report to the CMA within 10 Working Days of the Final Date:
 - (a) updating the CMA with the information referred to in paragraph 9(a) to (f); and
 - (b) confirming the value of the payment to charity specified by the CMA in paragraph 7(f), (if any).
- 12. Until the CMA is reasonably satisfied that all measures to ensure that Refunds to Affected Consumers have been duly made, the Respondent shall provide to the CMA any other information or documents in its possession or available to it which the CMA considers are necessary in order to determine compliance or otherwise with the Directions within a reasonable time.

Exhibit to Annex B

[✂]

Annex C: right of appeal

As part of the Conditions of Settlement the Respondent has agreed not to bring an appeal or otherwise challenge any matter set out in the FIN. Details about the right of appeal set out in the DMCC Act are set out below for completeness.

Pursuant to section 202 of the DMCC Act a person to whom a FIN is given may appeal to the appropriate appeal court against a decision to impose a monetary penalty by virtue of the notice, the nature or amount of any such penalty and the giving of directions by virtue of the notice. These appeals must be made to the High Court in England and Wales or Northern Ireland or to the Outer House of the Court of Session in Scotland.¹¹⁶

The grounds for an appeal against the decision to impose a monetary penalty or the nature or amount of any such monetary penalty are that:

- (a) the decision to impose a monetary penalty was based on an error of fact,
- (b) the decision was wrong in law,
- (c) the amount of the penalty is unreasonable, or
- (d) the decision was unreasonable or wrong for any other reason.¹¹⁷

The grounds for an appeal against the giving of directions are that:

- (a) the decision to give the directions was based on an error of fact,
- (b) the decision was wrong in law,
- (c) the nature of the directions is unreasonable, or
- (d) the decision was unreasonable or wrong for any other reason.¹¹⁸

An appeal against a FIN under section 202 of the DMCC Act must be brought before the end of the period of 60 days beginning with the day on which a FIN was given to the person seeking to bring the appeal.¹¹⁹ The appropriate court may extend the period of time for bringing an appeal.

¹¹⁶ Section 202(9) of the DMCC Act.

¹¹⁷ Section 202(2) of the DMCC Act.

¹¹⁸ Section 202(3) of the DMCC Act.

¹¹⁹ Section 202(6) and section 202(9)(a) of the DMCC Act.

Where an appeal is brought under section 202 of the DMCC Act a person to whom a FIN is given is not required to pay the penalty or compensation under directions imposing enhanced consumer measures until the appeal is determined or withdrawn unless the court orders otherwise.¹²⁰

¹²⁰ Section 202(8) of the DMCC Act.