

## Investor Compensation (UK) Limited, Investor Compensation- Terms and Conditions – Payday Loans

These terms of business (the “Terms”) explain the entire rights and obligations of You and Us regarding the provision of our Services. You should read the Agreement carefully before signing the Letter of Authority Form. If You do not understand any aspect please ask Us for further information.

### 1. Meanings

**“Account”** – each PAYDAY LOAN identified by You as being relevant to the Claim.

**“Agreement”** - the agreement entered into by You with Us, incorporating the Letter of Authority Form, the Terms of Service and these Terms.

**“Lender”** - the financial institution(s) or other provider(s) of generic financial services against which We bring a Claim on your behalf.

**“Claim”** – a claim or claims made by Us to the Lender on your behalf relating to mis-selling of one or more PAYDAY LOANS.

**“Claims Payments”** – the fees, charges and other amounts that You have paid to your Lender in relation to the provision of a PAYDAY LOAN.

**“Fees”** - the fees payable by You to Us under paragraph 5.1 and any other fees or other amounts payable by You to Us under the Agreement.

**“FOS”** – Financial Ombudsman Service.

**“Letter of Authority Form”** – the form We enclosed with the pack and which We asked You to sign to give Us authority to raise a formal complaint to the Lender and to act on your behalf.

**“PAYDAY LOAN”** – a Payday loan (within the meanings set out in applicable guidance and publications of the Financial Services Authority and Financial Conduct Authority).

**“Personal Notice”** - written notice provided by Us to You at least 15 Working Days in advance (or such shorter period as may be necessary to ensure We comply with our regulatory and legal obligations) by post or email (in each case provided to the most recent contact details provided by You to Us).

**“Services”** – the services that We agree to provide to You under the Agreement, being the assessment, preparation and negotiation of your Claim.

**“Settlement Amount”** - all amounts paid or provided or to be paid or provided by the Lender to You and to any other person in relation to settlement or satisfaction of your Claim (gross of any tax you are liable to pay), being the total value of the benefits to You and to any other person, monetary or otherwise, and including any cash or cheque payment, any reduction in your account balance, any reduction in your account arrears, any goodwill payments and any interest paid by the Lender in relation to the Claim.

**“You”** - you, the person(s) engaging Us on the basis of the Agreement.

**“We”** and **“Us”** – Investor Compensation (UK) Limited (registered number 00769324, FRN: 830890) whose registered address is Unit 1C, Riparian Way, The Crossings Business Park, Cross Hills, Keighley, West Yorkshire BD20 7AA or anyone to whom we transfer our rights and obligations under the Agreement.

**“Working Days”** – all days other than Saturdays, Sundays and public holidays.

### 2. The Agreement between You and Us

- 2.1. You appoint Us to act as your exclusive representative in your potential claim and We agree to act on your behalf and to provide the Services on the terms of the Agreement. Your appointment of Us, and the Agreement, starts when We receive a completed original Letter of Authority Form from You. By providing Us with a completed Letter of Authority Form You are entering into a binding contract on the terms of the Agreement.
- 2.2. By appointing Us, You confirm that no agency or person other than Us is acting for You in relation to the potential claim and You agree not to appoint any such agency/person in relation to the potential claim or the Claim.

### 3. Cooling Off Period and Other Rights

- 3.1. You have the right to cancel the Agreement at any time during the first 14 consecutive days of the term, which starts when We receive your original Letter of Authority Form. This can be done by writing to Us at our registered address or by telephoning Us on 0800 083 0049. Where We receive an undated Letter of

Authority Form the 14 days period will start from the date We receive the Letter of Authority Form. It is recommended that You send any written notice of cancellation by recorded delivery post. If You cancel in accordance with this paragraph any payments made by You to Us will be refunded in full to You and You will not be subject to any financial penalty by Us.

3.2. You have the right to seek further advice or to shop around before You enter into the Agreement, subject to any time limits within which a claim must be made.

#### 4. **The claims process**

4.1. You agree to provide to Us throughout the term of the Agreement with all appropriate and available information relating to your potential claim as soon as possible. We will rely on all of the information that You provide being true and accurate to the best of your knowledge and belief. We will consider your potential claim and will consider, based on the information You have provided, any other accounts, products or services provided to You by the same Lender that may give rise to a Claim.

4.2. Once We have received your signed Letter of Authority Form or, if later, sufficient information from You, We will assess whether We consider your potential claim to be viable. If We consider that it is viable, We will:

- raise a formal complaint to the Lender regarding your Claim, requesting a full refund of all Claims Payments relating to the PAYDAY LOAN(s) You have identified to Us and any other PAYDAY LOAN that You have or have had with the Lender, plus statutory interest;
- provide the Lender with the relevant information that We have received from You;
- promptly notify You once We are informed of the outcome of the Claim.

4.3. If, at our complete discretion, We consider that your claim is not viable, whether due to the claimed amount being too small or for any other reason, We will notify You, following which You will not be required to pay anything to Us and We will have no further obligations to You under the Agreement.

4.4. You authorise Us on your behalf and as your representative to:

- take those actions set out in paragraph 4.2;
- request appropriate further information from the Lender relating to your Claim and receive all communications from the Lender on your behalf;
- withdraw your Claim, at our absolute discretion, in the event that the Lender provides Us with evidence that the Claim duplicates a claim made by You or on your behalf other than through Us;
- take any other actions which are reasonably required in relation to the above.

4.5. You agree that You will:

- provide any further information that may be necessary for Us to progress your Claim as soon as possible on request;
- notify Us within 3 Working Days if You receive communications (whether telephone calls, emails or letters) directly from the Lender regarding the progress of your Claim (including communications relating to offers of settlement or goodwill gestures) and forward any paperwork connected with this to Us as soon as possible if We request it (please note that if You fail to advise Us of any communication from the Lender, You may impede the progress of your Claim and become liable to Us for costs under paragraph 6.2);

4.6. If the Lender fails to respond to Us or to You within 8 weeks of our communication under paragraph 4.2 or the Lender rejects your Claim, You may have certain options including to issue a formal complaint to FOS. We will discuss these options with You at the time. If We agree with You that a complaint to FOS by Us on your behalf is appropriate We will provide you with the appropriate forms for You to complete and return to Us so that We can make the complaint on your behalf. Any settlement amount paid to You through the FOS process will be treated under these terms as a Settlement Amount, including the terms relating to our entitlement to Fees.

4.7. You acknowledge that;

- all decisions relating to acceptance or otherwise of any settlement offer are to be made by You.; and
- settlement of your Claim may result in the adjustment of your PAYDAY LOAN and/or any benefits (such as insurance cover) connected to your PAYDAY LOAN (and any other accounts that may be relevant to settlement of your Claim).

4.8. We may ask You for certain of your card details over the telephone in order for You to make payments or for Us to process your Claim. Your card details will not be stored in our payment system. You should never email or post to Us a photo of your card or details of your card expiry date or CVV number (the 3

digits at the back of your card) and if any of our staff ask you to do so, please contact Us by telephone on 01535 959767.

**5. Our fees and how You pay Us**

- 5.1. Where your Claim is successful, We will be entitled to a fee payable by You to Us of 30% (plus VAT at the prevailing rate at the date of the invoice) of the Settlement Amount.
- 5.2. Example of how our fees are calculated are set out below:

Settlement Amount	Amount of our fee at 30% (net of VAT)	Amount of VAT payable on our fee (Assuming prevailing rate of 20%)	Total Amount payable by Client (Including VAT)	Amount of redress paid in cash to Client after Total Amount Payable
£250 (payable in cash)	£75	£15	£90	£160
£250 (£125 payable in cash and £125 account balance change)	£75	£15	£90	£35
£250 (£0 payable in cash and £250 account balance change)	£75	£15	£90	£0

- 5.3. Note that the Settlement Amount is not just the amount of cash You receive – it includes any account reductions and other benefits, as set out in the definition of “Settlement Amount” in paragraph 1. Note also that the Settlement Amount will include compensation that the Lender offers to You that relates to any accounts whether these are identified in the Claim or not. The Lender may deduct from the Settlement Amount tax that is payable by You on any interest, however, for the purposes of the Agreement, Settlement Amount includes the gross amount of such interest.
- 5.4. You agree that all monies recovered from the Lender in relation to your Claim shall be made payable directly to Us and You instruct the Lender to make all payments and/or cheques relating to your Claim directly to Us.
- 5.5. We will issue an invoice and send it to You as soon as possible following the earliest date on which We become aware that the Lender has offered to pay You or has paid You a Settlement Amount which We would have been prepared to accept on your behalf. You must settle our invoice within 14 consecutive days of it being issued.
- 5.6. Where some or all of the Settlement Amount is paid by the Lender directly to Us, You authorise Us to deduct our Fees from it in settlement of our invoice.
- 5.7. Where some or all of the Settlement Amount is paid by the Lender to You but is received by Us, You authorise Us to pay that amount into our client account and, on distribution of such amount, deduct our Fees from it in settlement of our invoice.
- 5.8. Where the Lender pays some or all of the Settlement Amount directly to You or the Lender reduces any of your account balances in payment of the Settlement Amount:
  - You will notify Us of such payment or reduction within 3 Working Days of You becoming aware of it;
  - We will notify You of such a payment or reduction within 3 Working Days of Us becoming aware of it, should We become aware of it before We have been notified by You.
- 5.9. Subject to paragraph 5.12, in any situation where We are holding part of the Settlement Amount after full payment of our Fees, We will forward payment of the remaining amount to You within 10 Working Days.
- 5.10. You agree that We can deduct the Fees from your credit/debit card where You have provided Us with those details for that purpose.
- 5.11. Once You have settled your invoice in full our responsibilities and obligations to You in connection with this Agreement will cease.

- 5.12. We may set off any fee or other amount that You owe to Us under any other agreement between You and Us against any liability that We have to make payment to You under paragraph 5.9. If We do this, our other rights or remedies under the Agreement or any other agreement between You and Us will not be affected.
- 5.13. Subject to paragraph 5.14, 5.15, 6.2 and 6.3, if We submit a Claim on your behalf but no Settlement Amount is paid by the Lender in respect of that Claim, You will not be required to pay any Fee to Us.
- 5.14. If You provide any information to Us which is untrue or misleading and results in your Claim being unsuccessful, You will be liable to pay Us an amount which We calculate, acting reasonably, as representing the costs We have incurred in relation to your Claim at the rate of £60 plus VAT per hour plus disbursements.
- 5.15. In respect of any unpaid invoices, We may at our discretion:
- commence debt collection proceedings to recover the amount due;
  - charge interest on the amount unpaid at the rate of 8% per annum; and
  - add to the amount outstanding the costs of any telephone calls and invoice reminders at the following rates – £10.00 (plus VAT) for second and subsequent written reminder - £3.50 (plus VAT) for second and subsequent telephone reminder - £50.00 (plus VAT) for solicitor's letter before action.

## **6. Termination**

- 6.1. We may terminate the Agreement in the circumstances set out in paragraph 4.3.
- 6.2. We may terminate the Agreement if We become aware that You are pursuing your claim independently or if You fail to comply with your obligations under paragraph 4.1 or 4.5 and such failure results or is likely to result in Us being unable to manage your Claim effectively, in which case You will be liable to pay Us at our discretion an amount which We calculate acting reasonably, as representing the costs We have incurred in relation to your Claim at the rate of £85 plus VAT per hour plus disbursements.
- 6.3. You may terminate the Agreement at any time by providing written notice to Us at our registered address or by telephoning Us on 0800 083 0049. It is recommended that You send any written notice of cancellation by recorded delivery post. If You terminate the Agreement in this way You will be liable to pay Us an amount which We calculate, acting reasonably, as representing the costs We have incurred in relation to your Claim at the rate of £60 plus VAT per hour plus disbursements.
- 6.4. If You at any time independently accept or receive a Settlement Amount based on a Claim made by Us to the Lender, whether or not the Agreement has terminated, You will be liable to pay such proportion of our Fees as reflects the work we have undertaken.

## **7. Limitations on our services and liability**

- 7.1. Where the Lender makes an offer of a Settlement Amount, We will not give You any advice as to whether the Settlement Amount is suitable redress in respect of your Claim and We are under no obligation to verify the calculation of the amount other than to confirm that statutory interest has been applied by the Lender as required under the process rules of the Financial Conduct Authority.
- 7.2. If any form of tax is payable by You or on your behalf in relation to the Settlement Amount (such as income tax which is payable by You in respect of the interest paid to You as part of the Settlement Amount), You shall be fully responsible for such payment and We shall have no responsibility to make such payment on your behalf.
- 7.3. We shall have no liability to You for any loss to the extent it arises, as a result of the information provided by You in connection with your Claim being inaccurate or incomplete unless the reason for it being incomplete is due to a failure by Us to identify the necessary information as part of our standard claims procedure.
- 7.4. We shall under no circumstances be liable to You, whether in contract, tort (including negligence), breach of statutory duty or otherwise, for loss of profit, loss of business or depletion of goodwill in each case whether direct or indirect (howsoever caused) in each case which arises out of or in connection with the Agreement. Nothing in the Agreement shall exclude or limit any liability of ours which may not be legally excluded or limited.
- 7.5. We shall have no liability to You for any loss to the extent it arises, as a result of any services or insurance being withdrawn or terminated by the Lender or any third party service provider in connection with your Claim.

## **8. Changes to the Agreement**

- 8.1. We may make changes to our Fees, including introducing new fees and charges and making changes to the basis on which We charge for providing services, by giving You Personal Notice.
- 8.2. We may make any other changes to the Agreement, including introducing new fees and charges and making changes to the basis on which We charge for providing services, by giving You Personal Notice.
- 8.3. By way of example, We may make changes following or in anticipation of any change in law, regulation, industry guidance or code of practice, or to respond to changes or anticipated changes in the costs that We incur to third parties in relation to our provision of the Services.
- 8.4. Where We make any change under paragraph 8.1 or 8.2 the change will be proportionate to the underlying reason for the change.
- 8.5. When We give you Personal Notice of a change We intend to make in accordance with paragraphs 8.1 or 8.2, before the change takes effect You may end the Agreement without incurring a charge by giving Us notice in writing and such notice will take immediate effect. .
- 8.6. If You do not tell Us that You want to end the Agreement as described in paragraph 8.5 before the date each change is to take effect, then You will be deemed to have accepted the change and it will take effect automatically from the date detailed in your Personal Notice.

## **9. Personal details and statement of data protection**

- 9.1. We recommend that You read this statement carefully as it defines the personal information We obtain about You and how the information is used. Please be aware that We may record and monitor your calls to maintain or improve our services.
- 9.2. We can confirm that all personal information supplied by You will not be passed on to anyone other than:
  - 9.2.a as required or permitted by law, court orders or as requested by any government or law enforcement authority;
  - 9.2.b associated companies or selected third parties as set out in paragraph 9.3;
  - 9.2.c any company or other entity to whom We may either transfer or subcontract any or all of our obligations to You under this Agreement.
- 9.3. We will contact You on the contact options you selected on our online signup form or over the phone with details of our own and associated companies' products and services which We think may be of interest to You, and will share your information within our group for that purpose. If You agree, We will also share your information with selected third parties so that they can contact You with details of their products and services in the same way. Please see our privacy policy for further detail.
- 9.4. If You give Us your email address and communicate with Us over the internet, We will assume that You accept the level of security in such communications and agree that We can communicate with You by email and other internet means.
- 9.5. You can contact Us at any time by writing to the Data Protection Manager at the above address for any information You require and also if You would like copies of any or all personal information We hold about You. We will charge You a fee of £10 for providing that information.
- 9.6. You should advise us at the earliest opportunity if You have any medical conditions such that You might be regarded as particularly vulnerable and the nature of such status. This data will be held and used by Us to ensure that You receive fair and appropriate treatment from Us. The nature of your status will not be disclosed by Us to third parties.

## **10. General Terms**

- 10.1. By giving You Personal Notice We may transfer our rights and obligations (or subcontract any of our obligations) under this Agreement. Your rights under the Agreement will not be reduced as a result of any such transfer.
- 10.2. If any event beyond our reasonable control prevents or hinders Us from performing our obligations under this Agreement We shall not be deemed to have breached this Agreement.
- 10.3. If We waive any breach of the Agreement that shall not be considered to be a waiver of any subsequent breach.
- 10.4. This Agreement with You is governed by the laws of England and Wales. Any dispute which arises in relation to this Agreement shall be dealt with by any court in the UK, Isle of Man and Channel Islands which is able to hear the case.