

## THE DEBT SUPPORT COMPANY LIMITED

### TERMS OF BUSINESS

We want your decision to use The Debt Support Company's debt management services to be a positive step towards regaining control of your financial situation. These Terms of Business apply to all clients and explain our obligations to you and yours to us. They will form an important part of our relationship, so please take time to read them carefully.

The important words in this document are defined in a separate Glossary section at the end.

**If there is any part of these Terms and Conditions that you do not understand, or that you would like us to explain or discuss with you, please call us on 0800 043 1230.**

**You should note that a debt management programme may have an adverse impact on your ability to obtain credit in the short term and that there is some likelihood that you will not be able to do so in the medium to longer term. Records are retained by credit reference agencies for 6 years after payment of your debts is completed.**

#### 1. OUR APPOINTMENT

You appoint Us and We agree to act on your behalf, as debt managers and to provide the services set out in these Terms of Business.

This Agreement will start when You confirm your acceptance of these Terms of Business [either by telephone or] by returning the completed Customer Authority Form or if earlier, the day when We receive the Initial Fee from You in Cleared Funds.

This Agreement will continue for the Term, which means the period running from the start of this Agreement until we stop providing You with services, unless ended earlier by You as set out in section 7 or by Us as set out in section 8.

**You have a right to cancel this Agreement at any time during the first fourteen calendar days of the Term. You can do this by writing to us at the address above or by telephone on 0800 043 1230 saying you wish to cancel. We will then refund to you any Fees already paid to us that are Cleared Funds.**

#### 2. WHAT YOU WILL PAY US

Our Fees means the Initial Fee and the Monthly Fee. We will set out an estimate of the total Fees payable by You to Us under this Agreement in your draft Payment Plan.

The Initial Fee means your first Two Monthly Payments, which is paid by You to Us as an initial fee for our services, and which is not used to pay your Creditors. **This means that You may miss payments to Your Creditors and may go into arrears or further into arrears.**

The Monthly Fee means the monthly Fee payable for our Services. This is an amount equal to 15% of your Monthly Payment or £35.00 which ever is greater, apart from your first Two Monthly Payments that is the Initial Fee.

We also offer to negotiate Full & Final settlements on behalf of our clients. Our fees are 10% of the saving giving you 90% of the saving.

#### 3. WHAT WE WILL DO

Based upon information provided by You to Us, We will review your income, outgoings and living expenses and prepare and issue to You a draft Payment Plan in respect of those types of debt, which do not fall within the exclusions set out in the paragraph below. This will indicate a Monthly Payment that We believe You can afford. It will also include an estimate of the total Fees payable by You to Us for the services that We provide under this Agreement and an estimate of how long it will take You to repay your Creditors. At this stage, if You are happy to proceed, We will ask you to complete the Customer Authority Form and to confirm Your acceptance of these Terms of Business.

**We will not usually provide the Services in relation to secured credit (such as hire purchase arrangements, secured loans and mortgages), rent (including rent arrears), utility bill payments (including arrears), council tax payments (including arrears) and other similar debts.**

Once the Agreement starts We will notify your Creditors of our involvement and will attempt to agree with them revised payment terms on your behalf. We will in particular attempt to persuade your Creditors, where appropriate:

- To accept reduced monthly repayments from You;

- Not to charge interest;
- To either suspend or withdraw any recovery, or similar proceedings, which they may already have taken against You or may have threatened to bring against You.

Following receipt of the Initial Fee in Cleared Funds We will prepare and issue a Payment Plan, normally within 28 days. This may vary from the earlier draft depending on the accuracy of the information You originally provided to Us and our discussions with your Creditors.

If your circumstances change We shall attempt to re-negotiate with your Creditors and arrange with You a revised Payment Plan. We will in any event periodically review your situation, normally every 12 months or earlier if your Creditors insist, and We will prepare and issue a revised Payment Plan with You and your Creditors if this is appropriate.

We shall keep You informed of all material communications between your Creditors and Us, and We shall deal with all communications from your Creditors to Us (or to You and provided by You to Us) appropriately and promptly.

#### **4. HOW WE HANDLE YOUR MONEY**

All payments that We receive from You in Cleared Funds will be paid directly into our Client Account. The only payments, which We will make out of our Client Account, are:

- Payment of our Fees;
- Payment of the Monthly Repayments to your Creditors in accordance with the Payment Plan; and
- Any other payments as instructed or agreed with You

We will distribute the Monthly Repayments amongst your Creditors in accordance with the Payment Plan normally within five working days of receipt of the [Monthly/Weekly] Payment from You in Cleared Funds. If there is a delay in any payment which is not beyond our control, We shall take the appropriate action to put You in the position You would have been in if the payment had been made within five working days in Cleared Funds and shall make good any additional interest which has accrued and any default charges that have been applied to the account as a result of the delay.

#### **5. WHAT WE WILL NOT DO**

We cannot lend You money or offer You any credit facilities.

We cannot give You any legal advice or provide insolvency services.

We will not arrange for anybody to attend any court hearing on your behalf. **Whilst We will attempt to agree revised payment terms with Your Creditors in accordance with section 3, We cannot stop Your Creditors from continuing to charge You interest and other charges, or from continuing any current, or bringing any future, recovery proceedings against You if they want to do this. Creditors are not obliged to accept reduced payments or to freeze interest and that, unless they do, repaying a debt over a longer time will lead to an increase in the level of the total amount to be paid.**

#### **6. WHAT YOU AGREE TO DO**

You must provide Us with full, accurate and truthful details of Your net income, outgoings, Creditors and dependants and You must also provide Us with details of any outstanding judgments against You or any actual or threatened court proceedings. You must, where possible, send to Us copies or originals of documents to confirm these details.

You must make the agreed Monthly/Weekly Payments to Us in accordance with the Payment Plan.

You must allow Us to negotiate on your behalf with your Creditors.

**You must send Us originals or copies of all correspondence You receive from your Creditors as soon as possible so that We can deal with them on your behalf.**

If You intend to make any payments directly to your Creditors during the Term of this Agreement, You must notify Us in advance that You propose to do so and We must agree that such payment can be made.

You must tell Us if your circumstances change so that You are or may become unable to maintain the level of Monthly Payments or if there has been an improvement in your circumstances so that You are able to increase your level of Monthly/Weekly Payments. We will require two weeks notice from You to make any amendments to any standing order arrangements You make for payment of the Monthly/Weekly Payments to Us.

During the Term You must incur no further debts, whether on credit or otherwise, other than those relating to your normal living expenses.

## **7. ENDING THIS AGREEMENT**

You have the right to cancel this Agreement under section 1 above.

You may also cancel this Agreement at any time if the total Fees payable under the Payment Plan differ significantly from the Fees estimated in the draft Payment Plan issued by Us in accordance with section 3 above. In the event of cancellation under this section 7, We reserve the right to retain the Initial Fee.

You may also end this Agreement at any time by giving Us two weeks prior written notice, which You may serve at any time whether or not You believe We may have been in breach of our obligations under this Agreement. In the event of cancellation in these circumstances, We reserve the right to retain the Initial Fee.

## **8. HOW WE MAY END THIS AGREEMENT**

We may end this Agreement at any time by giving You two weeks prior written notice if any of the following happens:

- You fail to make two successive Monthly Payments; or
- You are otherwise in serious breach of this Agreement or have persistently committed a series of minor breaches (even if any one individual breach would not necessarily be regarded as a serious breach on its own); or
- You become bankrupt, file a bankruptcy petition, make an arrangement or composition with your Creditors generally, or make an application to a court of competent jurisdiction for protection from your Creditors generally.

## **9. WHAT HAPPENS WHEN THIS AGREEMENT ENDS**

When this Agreement ends:

- Our duties and obligations under this Agreement will come to an end;
- Your liability to your Creditors will continue to the extent that any amounts You owe to your Creditors remain outstanding over and above the repayments made to them under the Payment Plan; and
- You may within 30 days of the end of this Agreement request Us to return all paperwork received from You or your Creditors that has been retained by Us.

## **10. YOUR PERSONAL INFORMATION**

We agree to keep confidential all information received from or about You. We will not pass this information to anyone else without your permission, except in compliance with our data protection statement contained in section 11 or to such of your Creditors as is necessary in order for Us to negotiate repayments with such Creditors.

## **11. DATA PROTECTION**

Please read this statement carefully as it explains what personal information We collect about You and how We use this information.

We collect personal information about You both directly from You when You apply for our services and from Your Creditors as authorised by your Customer Authority Form. We may also collect further information as a result of managing your Payment Plan.

We will use your personal information to provide our services to You, and in particular to:

- Prepare and issue to You your Payment Plan;
- Negotiate with your Creditors on your behalf; and
- Keep You informed about your Payment Plan and our services.

**We may also use your personal information to contact You to provide You details of other products and services which We think may be of interest to You, including those offered by selected third parties. We may share personal information with these selected third parties and they may contact You directly to provide You with details of such products and services. You may let Us know if You do not want Us to use or disclose your personal information for marketing purposes either by indicating via the opt-out box provided in the Customer Authority Form or by writing at any time to the Director, Debt Support Company at our address given below.**

Other than as set out above We will only disclose your personal information to the extent required by law, court order or as requested by other government or law enforcement authority, or to any company or other entity to whom we either transfer or subcontract any or all of our obligations to You under this Agreement.

You may contact Us by writing at any time to the Director, Debt Support Company at our address given above for further information, or if you want to request a copy of the personal information which We hold about You or to ask Us to amend any inaccurate information held by Us.

Please note that we may record and monitor your calls to Us to help Us to improve our service.

## **12. NOTICES**

You may contact us in writing at PO Box 3314, Littlehampton, BN16 9EE or by telephone on 0800 043 1230. We will contact You at the address you provide in the Customer Authority Form unless You notify Us of another address in writing.

## **13. COMPLAINTS**

If You are unhappy with any part of Our service to You, You should write to the Director, Debt Support Company at the address set out in section 12 above.

## **14. OTHER INFORMATION**

All Fees are exclusive of any applicable value added tax (VAT) or other sales tax. We may transfer our rights and obligations under this Agreement by giving You written notice of such transfer. This Agreement is personal to you and you may not transfer your rights and obligations under this Agreement without prior written consent by Us.

Neither You nor We shall be deemed in breach of this Agreement or otherwise liable to each other if You or We are prevented or hindered from performing our obligations under this Agreement by reason of any event beyond our reasonable control.

We intend to rely upon the written terms set out in this Agreement. If You require any changes, please make sure You ask for these to be put in writing. In that way, We can avoid any problems surrounding what We and You are expected to do.

This Agreement is governed by the laws of England and the courts of England shall have exclusive jurisdiction.

## GLOSSARY OF IMPORTANT TERMS

<b>Agreement</b>	means the agreement between You and Us made mainly on these Terms of Business.
<b>Cleared Funds</b>	means (i) any cash, postal orders or banker's drafts made payable to Us which We have received from You; (ii) any monies which We have received into our Client Account from You by electronic transfer (such as by standing order, direct debit, bank giro credit transfer) and which have not been returned unpaid within four working days, and/or (iii) any cheques which We have received from You which have not been returned unpaid within seven working days.
<b>Client Account</b>	means the account where any monies held on behalf of our clients are kept and which is not used for the purpose of our own business.
<b>Customer Authority Form</b>	means the form enclosed with these Terms of Business that We ask You to sign to give Us authority to contact your Creditors and to act on your behalf.
<b>Creditors</b>	means all of the people or businesses You have told us You owe money to and who are included in your Payment Plan.
<b>Monthly Payment</b>	means the total amount that is paid every month by You to Us throughout the Payment Plan. Apart from your first Monthly Payment which is the Initial Fee, this is made up of the Monthly Repayment to be made to your Creditors, our Monthly Fee and any other payments as instructed or agreed with You.
<b>Monthly Repayment</b>	means the part of the Monthly Payment to be paid by Us on your behalf to your Creditors.
<b>Payment Plan</b>	means the plan of Monthly Payments by which You repay your Creditors through Us and pay for our services, prepared by Us based on the information provided by You, as revised from time to time.
<b>Term</b>	means the period running from the start of this Agreement until we stop providing You with services. An estimate of how long the Term will last is set out in your draft Payment Plan issued by Us.
<b>Terms of Business</b>	means the terms set out in this Agreement
<b>We or Us</b>	means The Debt Support Company (company number 5629734), with its registered address at PO Box 3314, Littlehampton, BN16 9EE.