

BEESELEY AND
COMPANY

CLIENT CARE
INFORMATION

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BEESLEY AND COMPANY CLIENT CARE INFORMATION

INTRODUCTION

Thank you for instructing us to provide advice to you in relation to your IVA. We are a commercial licenced Insolvency Company. We aim to be completely professional, transparent and objective in our dealings with you hence this explanatory booklet. We will provide advice as to the most appropriate solution for you and provide you with a full explanation of the options so that you are able to make an informed choice about how you want us to assist you to move forward. We will endeavour to achieve the best possible outcome for you whilst maintaining the quality and efficient service we pride ourselves on. Please read this booklet carefully in conjunction with our terms of business. This booklet is designed to assist you and to provide you with essential information regarding our services and the IVA process. Given its importance we recommend that you read it carefully and retain it in a safe place for future reference.

We will assist you to put together your application for an IVA which if accepted by your creditors will help you get out of debt within a specified time period depending on the terms of your proposal. Your fullest co-operation and commitment will be required in this regard. We will assess what you can afford to pay by calculating your surplus income on a month by month basis and also give appropriate consideration to any assets you own and your personal circumstances and expectations. We will work with you to establish a viable proposal based on your surplus monthly income, what assets you own and the level of debt you have. We will provide advice on the impact an IVA will have on your assets and any other people who may be affected by your IVA for example a spouse/partner who lives with you or a family member or friend who has agreed to act as your guarantor. We will provide you with a realistic assessment as to whether your proposal is likely to be approved by your creditors. This document sets out in detail the things you need to know about our services and your relationship with us and the IVA process generally, you should read it very carefully. It is important that you fully understand the information that it sets out and the advice we have given you. Please do not hesitate to contact us for further information and guidance if you have any queries whatsoever.

1. WHAT IS AN IVA

An IVA or Individual Voluntary Arrangement is a legal agreement between you, your creditors and a licensed Insolvency Practitioner. It is a legal process whereby you agree to pay a single reduced affordable monthly payment for a period of usually five or sometimes six years after which time the unpaid part of your debt is written off by your creditors. Once this happens your creditors will not be able to pursue you for any further payment.

2. YOUR INSTRUCTIONS

At the outset of your instructions and whilst acting as your advisor we will work with you to prepare a financial statement for you. With your help and co-operation this document should present your creditors with a clear, accurate and complete picture of your overall debt level and the availability of any surplus income that you have for your monthly payment. The surplus figure that will be made available to your creditors should be realistic, sustainable and must be appropriate to your circumstances. We can sometimes use estimates for some items of your monthly expenditure where you cannot provide documentary evidence in support of your actual expenditure. However, creditors have guidelines which they work to as an indicator for acceptable levels of expenditure for all items set out on your monthly household expenditure schedule and we are required where possible to keep to these guidelines. We will require copies of your payslips and bank statements to verify your income and expenditure. If any of your items of expenditure are higher than your creditors guideline figure you will need to provide documentary evidence to support that item of expenditure. We are under a duty to provide as accurate information as possible to your creditors in order that they can properly assess your financial position for themselves. If they are not totally satisfied with the information we give them they will ask questions and this will delay the implementation of your IVA. We will ask you to provide us with a list of your creditors with details of your account numbers and balances. If such information is not already available we will write to your creditors to inform them that we are acting on your behalf seeking the information we need to present your IVA to your creditors.

We will also investigate the extent of your assets, their value and how your ownership of them might impact on your proposal to your creditors.

We will thereafter verify the advice we have given you confirming whether or not we feel that your circumstances are appropriate for an IVA to be proposed to your creditors.

We will then finalise the financial statement and collate the documentation necessary to undertake a full assessment and then begin the drafting of your proposal.

Mark Beesley the Company's Insolvency Practitioner will be appointed to act as your Nominee. He will fulfil the duties as set out in paragraphs 39-41 below. He will submit your proposal to the Court (if appropriate for example if you are coming under significant pressure from your creditors) and then to your creditors for their decision as to whether or not they will agree to the terms of the proposal.

In order to avoid procedural irregularities that may compromise the viability of your IVA it is essential that you provide us with information about all of your creditors whether or not you think we can assist you with them. Failure to do so could compromise the arrangement even if it is accepted by your creditors at your creditors meeting.

3. YOUR INSTRUCTIONS AND YOUR ROLE WHILST WE ARE COLLATING THE DOCUMENTATION FOR YOUR IVA

You will receive with this booklet a schedule of all options that are available to you when considering which solution best suits your financial situation. We will provide advice to you on all the options that are available to you both setting out the advantages and disadvantages of each option. We will advise you as to why we feel that the option we have recommended is the most appropriate to your circumstances in order to enable you to make an informed choice as to how you wish us to proceed. We will take into account your expectations, your preferences and desired outcomes.

4. SERVICE STANDARDS

Our responsibilities to you are that we will:

- (i) Provide you with sufficient information about all the options available to you in dealing with your financial difficulties and your IVA.
- (ii) Advise you as to why we feel the IVA we have recommended is suitable and advise you as to why other options would not be suitable.
- (iii) Communicate with you plainly.
- (iv) Explain to you any matters that we feel you should know.
- (v) Always treat you fairly and act honestly.
- (vi) If approved manage your IVA in accordance with statutory and regulatory requirements and the terms of the IVA including providing clear accurate and useful reports to creditors in order that they can make informed decisions about your proposal and finding a workable solution.
- (vii) Where an IVA is to be proposed your Insolvency Practitioner should be satisfied that the proposed outcome is achievable and that a fair balance is struck between your interests and those of your creditors,

5. PROGRESSING YOUR IVA

We will endeavour to keep you updated on the progress of your IVA. We will contact you should we require further information from you. Our overall aim is to help you get out of debt in the shortest possible time and provide you with an efficient and comprehensive service. Whilst most of our clients IVA's are approved by their creditors we can not guarantee that your proposal will be approved. If we feel at the outset of your instructions that your proposed IVA has below average prospects of success we will tell you and explain our reasons. We will also provide advice to you in order that you can decide whether you wish to proceed with the IVA or reconsider some of the other options we have discussed and may be available to you.

In relation to timescales it does take a few weeks to advise, draft and check over your proposal and all relevant documentation prior to being in a position to hold your meeting of creditors. From start to finish all being well the process should take about eight weeks. Any delays in your responding to requests for further

information is likely to extend this time period and delay the meeting of creditors. It is in your best interests to fully co-operate in order that the creditors meeting and the outcome is known as soon as possible, Where there are delays or in circumstances where creditors are aggressively progressing with enforcement action this could cause additional difficulties. In such circumstances consideration would be given as to whether to make an application to the Court for an interim Order. This would have the effect of giving you protection from your creditors pending the outcome of your creditors meeting. We will advise you if we think this will be necessary. There will be additional charges that will be incurred if this is required. We will advise you of what these are likely to be before they are incurred.

6. THE DEPARTMENT RESPONSIBLE FOR DEALING WITH YOUR CASE

A dedicated member of our pre-appointment team will be responsible for advising you on all the solutions that are available to you, liaising with you and collating all the information that will be needed to draft your proposal. You will be informed of the identity of the person having overall responsibility for the collating of the information needed for the drafting of your proposal. Your advisor will also be responsible for liaising with your creditors and helping with any queries that you may have.

7. PERSONAL INFORMATION/DATA PROTECTION

We will keep confidential all information received from or about you. We will not pass your information to anyone else without your permission. We will provide information to your creditors as is necessary in order for us to secure the information we will need to draft your proposal.

We will collect personal information about you both directly from you and from your creditors as authorised by your signed Client Authority Form. We will also collect further information as a result of preparing your proposal.

We will use your personal information in order for us to provide our services to you and to progress your case to creditors meeting as soon as possible. The same information will be used in the supervision of your IVA for its duration.

We may also use your personal information to contact you in order to provide you with details of other products and services which we think may be of interest and/or benefit to you. If you do not wish to receive such information please let us know and we will ensure that we do not contact you in this regard.

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.

You may contact the Data Protection Officer by writing to us 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. If you would like a copy of the personal information which we hold about you this can be provided for a nominal administration charge of £10.

8. PRIORITY DEBTS

The preliminary Financial Statement that we have prepared on your behalf assumes that you will continue to make the payments to your priority debts including your mortgage/rent, council tax, court fines, child support payments and your utility bills. Failure to meet your ongoing liability for priority debts will result in additional problems for you for example the repossession of your home or disconnection of services. Failure to meet priority debts when your IVA has been approved will also result in your IVA becoming unworkable and eventually it may fail. If this happens you will be in the same position as you were prior to the IVA being accepted and your creditors will recommence collection of your debts and continue to apply interest and charges to your balances retrospectively.

If you are experiencing difficulty in meeting payments to your priority creditors please contact us for advice as soon as possible. It may be possible for arrears on some priority debts to be included in your IVA. It is important that you bring any difficulties you may have in the payment of priority debts to our attention as

soon as possible. In some circumstances unsecured debts may be regarded by us and your creditors as priority debts. For example if you have a disability an unsecured debt for your telephone may be considered a priority debt. If you feel that any of your unsecured creditors should be prioritised over your remaining creditors please tell us why and we will advise you whether this will be possible.

9. INTEREST

Prior to accepting your proposal your creditors are not obliged to agree to reduced payments under a debt management programme or freeze the interest accruing on your accounts whilst your IVA proposal is being drafted or considered by your creditors. Therefore the debt owing to your creditors will most likely increase until such time as your creditors approve your IVA. Once your IVA has been approved at your creditors meeting all interest and charges will be frozen from there on in and your total debt will remain at that level until the successful completion of the IVA. The balance will therefore reduce by the sums paid to your creditors from the IVA. If your IVA fails for whatever reason (usually through non payment of the required monthly payment) then interest will start to accrue once again on your outstanding accounts at the contractual rate. The creditors may also add the interest that should have accrued to your accounts whilst the IVA was current.

Until the successful outcome of your creditors meeting there is no guarantee that collection action, including default notices and court action will be suspended or withdrawn. A successful outcome at your meeting of creditors guarantees no further action of any kind by your creditors. In order to enjoy the benefit of no added interest or charges on your debt the IVA must be successfully completed.

10. FAILURE TO MEET PAYMENTS TO CREDITORS PRIOR TO THE APPROVAL OF THE IVA

You are contractually obliged to make the contractual monthly payment to all your creditors. If you fail to do so several things may happen.

- (i) Interest and Charges will be added to your account
- (ii) Default notices may be served
- (iii) Legal action may be commenced
- (iv) If a County Court judgement is entered against you recovery proceedings could be pursued against you including Bailiffs seeking security for the judgement debts against any assets you own or Charging and Property Orders. If at all possible the contractual payments to your creditors should be maintained. Failure to meet contractual payments could result in adverse credit entries being made on your credit file which may impact on your ability to seek credit and financial services in the future. Once your IVA has been approved you would not be obliged to meet the contractual payments due to your creditors. You will instead be required to meet the repayments and obligations set out in your proposal.

11. CREDIT REPORT

Whilst we are preparing the documentation that will be needed for your IVA it would be very helpful if you could provide us with a copy of your credit file from one of the credit reference agencies. It is a fairly simple process to obtain this from any of the main credit reference agencies. You can either visit their website to request it online: www.experian.co.uk, www.equifax.co.uk or www.callcredit.co.uk; or you can write to them enclosing a cheque for £2. The addresses are:

- (1) Callcredit Ltd Consumer Services Team, PO Box 491Leed LS3 1WZ,
- (2) Experian Ltd Consumer Help Service, PO Box 8000 Nottingham NG80 7WF:
- (3) Equifax Credit Report Advice Centre PO Box 1140 Bradford BD1 5US.

Once you have received this we would be grateful if you could forward a copy to us. We can cross reference the report with the information you have provided as to the identity of creditors and the current balances outstanding. It will also help us to identify the status of any judgements and any enforcement proceedings. In short this will help us formulate an accurate financial statement for your IVA. Unfortunately credit reports

do not provide us with account numbers or reference numbers. It is important that you provide these to us as soon as possible. Credit reports using www.noddle.co.uk are free of charge. You may be able to access your report here or we can assist you to access your report if this is of any assistance to you.

12. YOUR CREDIT RATING

Anything other than timely contractual payments under your credit agreement will result in an adverse credit entry being registered on your credit file by your creditor. It is quite possible that by the time you instruct us that your credit rating may have already been severely impaired due to missed/late payments to your creditors. If default notices are served against you and proceedings in the County Court are commenced, your credit rating is likely to be compromised further. A formal insolvency process such as an IVA will further impair your credit rating. It is very likely, particularly in the present economic climate, that an impaired credit rating will hamper any efforts that you make to secure further borrowings and access to financial services. Such services may be at a higher rate of interest and therefore at an increased cost to you on less favourable terms.

Credit Reference Agencies keep information relating to your payment history for six years. This assumes that a default has been properly recorded by your creditors. Our experience of this is that creditors often do not keep the records up to date, in which case creditor's entries may stay on your file longer. Your creditors are under a duty to keep your data they hold about you up to date however we cannot control when your creditors make an entry on your credit file if at all. Even with the successful completion of your IVA this might not result in an immediate improvement in your credit rating. Whilst it is possible to apply for incorrectly recorded adverse credit entries to be removed from your record, creditors will only do this if they agree that there has been an error. You have the right to access your credit reference files and where necessary request that your creditor remove inaccurate/false information. It is possible to apply to the credit reference agencies, namely Equifax, Experian or Call Credit for a copy of your credit file. They will charge you a nominal fee. This will provide you with full information regarding your present loans, balances, judgements, default notices and payments history. Please see paragraph 11 above. If your IVA is approved by your creditors there will be an entry made on your credit file of the fact of your IVA. Once successfully concluded this will also be marked on your credit file. If the IVA fails for example due to non payment of the monthly contribution or other amount or for any other reason this fact will also be registered on your credit file. All entries will remain on your file for six years so if the IVA has five year duration the entry will remain on your file for a further twelve months post completion of the IVA.

13. PUBLIC REGISTERS OF INSOLVENCIES

The Insolvency Service maintains a register of bankruptcies, IVA's and Debt Relief Orders. There are similar provisions applicable to orders made in Scottish courts for Scottish residents. These registers are accessible not only to lenders but also to other members of the general public. There is a public register of financial management programmes for those living in Scotland. This is restricted to use by lenders only at the present time. Judgements and decrees are recorded by credit agencies for six full years from the date of Judgement.

14. YOUR BANK ACCOUNT

It is quite possible that your bankers may withdraw your current banking facilities. If your current account is overdrawn the balance will need to be included in your IVA and you will need to open a new basic bank account. We will advise you if we feel this is necessary and provide you with information as to how such accounts can be accessed. We can not control when or if banks will offer basic banking facilities. Entering into an IVA may also affect your access to other financial services which may also be on less favourable terms and at an increased cost to you.

15. JUDGEMENTS

If a judgement has been entered against you it can only be removed from the register of judgements and from credit reports if the full amount is paid within one month of the date of the judgement or if the judgement is “set aside” by the court. (This means the Judge is of the view that the debt is disputed or it has been entered in error. If this happens you will be given an opportunity to defend the claim). You can apply to the court to have a judgement set aside where you have a good reason to do so. If the judgement is set aside you will be permitted to go back to the start of the claim. If a judgement is re-issued and you cannot pay the full amount within one month of the judgement, the new judgement will be recorded on your credit file for six years from that date. A judgement can be marked as satisfied if the full amount is paid more than a month after the date the judgement was given. However, the entry will remain on the Register and your credit report for the full six years and may well impair your credit rating. If your IVA is approved your judgement creditor will not be able to pursue payment of the judgement debt outside of the arrangement. It will however remain on your credit file regardless of whether your IVA is approved or not.

16. CREDITOR DEBTS WE CANNOT DEAL WITH

It is important that when advising us as to the identity of your creditors that you give us the complete list of all creditors with whom you have outstanding unpaid balances. The only debts that will have to be treated “differently” to your other creditors are arrears for child support payments, overpaid benefits, Court fines or debts owing to The Student Loans Company. These will need to be treated preferentially and paid outside of the IVA. Allowances will be made within your monthly expenditure to ensure that you can afford to pay these debts in addition to your monthly IVA payment.

17. JOINT AND SEVERAL LIABILITY TO CREDITORS.

If any of your outstanding debts are in the joint name of you and another person you are both liable for the debt. This means that your creditor can recover repayment of the whole debt from each of you individually or from both of you. Consequently in circumstances where the creditor cannot recover payment of the debt from your co-debtor then the creditor can recover the whole of the outstanding sum directly from you and vice versa where appropriate. Joint and several debts can be added to an IVA. However there would be nothing to stop your creditor seeking additional payments towards that debt from any co-debtor even if your IVA were ultimately accepted by your creditors. If both parties to the debt undertake IVAs with their creditors which are approved at the meeting of creditors, creditors will not be able to pursue payment of the debt outside of the IVAs.

18. CORRESPONDENCE/CONTACT WITH YOUR CREDITORS

Please read all the letters that your creditors send you. You should not ignore correspondence or other contact from your creditors or their representatives particularly whilst we collate the information needed to draft your proposal. It is very important that you forward correspondence to us and keep us informed of any contact you have with your creditors. We will advise you accordingly and take over negotiations with your creditor if we feel it appropriate and in your interests for us to do so. If you do not wish to receive any further communication from your creditors please let us know and we will write to your creditors accordingly. Your creditors are not entitled to bypass us as your appointed representative unless there is a very good reason for them doing so. Your creditors in such circumstances would only be able to contact you directly to send legal notices including default notices and legal proceedings. Continued contact by your creditors would potentially be regarded as inappropriate and improper practice. Once your IVA has been approved your creditors will not be able to contact you directly and any correspondence in relation to your debts will be sent directly to your Supervisor,

19. INTERNAL AUDIT PROCEDURES

We constantly strive to improve our service to you. We have an ongoing staff training programme.

20. OFFICE HOURS

Our office is open between 9am and 5.30pm Monday to Thursday each week and 9am to 5pm on Friday. Our office is closed at all other times including bank holidays and during Christmas week each year for the Company's annual shutdown.

21. EQUALITY AND DIVERSITY

Our licensing body and the law (The Equality Act 2010) requires us to have in place procedures to effectively help any of our clients who are particularly vulnerable/disabled. A person has a disability if he/she has a physical or mental impairment that has a substantial and long term adverse effect on this/her ability to carry out normal day to day activities. The definition of vulnerable could include physical disability or mental health problems and other cognitive problems including consumers who have suffered a recent bereavement or for whom English is not their first language. This list is not exhaustive. If you believe that you are for any reason vulnerable or suffering from a disability that impacts on your ability to manage your finances please tell us. Creditors are also required to have procedures in place to help and assist vulnerable consumers and if we are able to provide them with clear details of any difficulties that you have then this may help everyone reach a satisfactory outcome for you.

We will only record any information you give us or disclose health information with your express approval. We will not assume that you are unable to make an informed decision. We will do all that we can in order to ensure you understand the advice we give you and that you are able to properly weigh up the options we will provide to you. We will always act in your best interests and treat you fairly. If you are suffering with a condition that impacts on your ability to manage your affairs and you would prefer for us to liaise with a family member, friend or support worker regarding your finances please confirm to us the identity of your preferred contact and their relationship to you. We will need your express written approval to discuss and liaise with them regarding your finances.

We are an ethnically diverse organisation and we have Greek and Polish speaking advisors. If you would prefer to converse in a language other than English please let us know and we will advise you whether this is going to be possible. If you have any special requirements please tell us and again we will advise you if it will be possible for us to accommodate those requirements. We are committed to promoting equality and diversity in all our dealings with our clients, third parties and employees. A copy of our equality and diversity policy is available on request.

If you would like to discuss our Equality and Diversity policy please do not hesitate to contact us in the strictest confidence.

22. FACE TO FACE MEETING

At the outset of your instructions to us we will offer you a face to face meeting at our office. It is a matter for you to decide whether you would like the opportunity of a face to face meeting. In the event that you do not require a face to face meeting at the outset but later change your mind please contact our office and an appointment will be arranged as soon as possible. In circumstances where your financial difficulties are very complex we may require a face to face meeting with you before we are able to properly progress your IVA. Should we require such a meeting we will contact you to make the appropriate arrangements.

23. MONEY LAUNDERING REGULATIONS

The Money Laundering Regulations apply to transactions that all Financial Institutions have with their clients. They require us to be satisfied as to the identity of our clients and the source of the funds paid to us. In order to comply with these regulations, we need you to provide us with proof of your identity and residence. Appropriate documentation proving your identity would be your passport or driving licence. Adequate proof of residence could include any recent utility bill or council tax demand (not more than 3 months old). Upon receipt of these documents we will copy the same and return the originals to you by

special delivery within 7 days. We have the right to withdraw from acting for you if you fail to provide us with the documentation requested and required in connection with our obligations under the Money Laundering Regulations. These regulations over rule the normal confidentiality rules. Under the Proceeds of Crime Act 2007 and the Money Laundering Regulations 2007 we may be obliged without reference to you to make disclosure to the [National](http://www.nationalcrimeagency.gov.uk) Crime Agency see www.nationalcrimeagency.gov.uk. We have the right to give such NCA notice as we deem appropriate without recourse to you.

We do not normally accept cash payments from our clients. If you do not operate a bank account or if there is some other reason as to why you would prefer to pay us in cash please could you advise us as soon as possible.

24. YOUR RIGHTS TO CANCEL OUR INSTRUCTIONS

This agreement will start when we receive from you your completed documentation including the Company's terms of business and return the client authority form to us.

If you wish to cancel your instructions to us, you are entitled to do so at any time. If you have already made the first payment to us we will only refund this to you if you have provided us with notice to cancel within 14 days of the commencement date. This initial 14 day period of time is the "cooling off period" to give you an opportunity to consider your position and make any further enquiries that you deem appropriate regarding your options. If you provide us with notice within 14 days we will provide you with a full refund within 5 business days of receipt of your notice. Upon receipt of your intended cancellation we will regard any earlier authority we have received from you for dealing with your creditors as withdrawn and your creditors will continue to deal with you directly. We will notify your creditors that we are no longer acting for you if we have already written to them to tell them we are acting for you. We will also return to you any documentation that you have previously provided to us. We will not charge a fee to you if you cancel your instructions to us within 14 days.

If you do not cancel your agreement for us to act on your behalf we will start to deal with your affairs and implement your instructions as set out in paragraph 2. Should you terminate your instructions to us after the fourteen days have lapsed you will not be entitled to a refund unless we have acted in breach of our terms of business.

25. TERMINATING THIS AGREEMENT PRIOR TO THE FORMAL APPOINTMENT OF YOUR NOMINEE

25.1 We may terminate the agreement on giving you fourteen days written notice where:

- (i) You have knowingly provided us with incorrect or misleading information.
- (ii) We have been affected by force majeure i.e. an unexpected event
- (iii) You stop making any required payment to us.
- (iv) We reserve the right to terminate this agreement at any time giving fourteen days written notice at our discretion.
- (v) If your breach your responsibilities to us as set out in paragraph 46

25.2 You may terminate your instructions to us at anytime prior to the appointment of your Nominee. You would not be entitled to a refund of the monthly payments you have paid to us unless we have acted in breach of our terms of business. Should you terminate your instructions to us we will write to your creditors to let them now that we are no longer acting for you. It is advisable that wherever possible you recommence payments/part payment on your accounts to your creditors as soon as possible. Please note adverse consequences will follow if you fail to make payments due under your IVA. Please note once your IVA has been approved and the Chairman's Report has been forwarded to your creditors it is not possible to simply terminate an IVA or your instructions. You should be sure that the IVA is the right solution for you before the IVA is drafted. Should you have any concerns or questions these must be raised as soon as possible.

26. IVA PROCEDURE

Once we have concluded the steps set out in paragraph 2 above we will take the following following steps.

- (i) We will review your case and the documents that have been collated. Your Insolvency Practitioner will take all necessary steps to familiarise himself with your financial circumstances. He will exercise his professional judgement to satisfy himself that you have received appropriate advice on all the options available to you. He will also satisfy himself that you understand the consequences of your decision to propose an IVA to your creditors.
- (ii) He will provide you with a copy of a leaflet called “Is an IVA right for me” explaining the IVA procedure and setting out the alternatives available to you. This document can also be accessed at our website www.beesley.co.uk.
- (iii) He will explain his role as Advisor, Nominee and Supervisor. Please see paragraphs 39 to 41 below.
- (iv) He will be appointed as your Nominee. He will prepare the notices to your creditors of his intention to hold a creditors meeting for your IVA to be considered by your creditors. It is a requirement that your creditors be provided with notice of your creditors meeting. This is usually within 28 days of the appointment of your Nominee however if appropriate the meeting can be held a week or so earlier. We will make the decision as to the optimum time for holding your creditors meeting and will advise you accordingly.
- (v) At the meeting your creditors will vote on whether to accept your proposal. They have four choices: These are to:
 - (a) Accept your proposal without modifications
 - (b) Accept your proposal subject to modifications
 - (c) Reject your proposal
 - (d) Request an adjournment
- (vi) If your creditors meeting is adjourned you will be provided with a new date for the creditors meeting to take place. This is usually within 14 days of the first meeting.
- (vii) Any modifications to the proposal that are required by your creditors in order for them to accept your proposal will be explained in detail to you. You have the choice to accept or reject any modifications introduced by your creditors. If you reject the creditors modifications then that creditor’s vote in favour of your proposal would count as a rejection and your IVA could fail if more than 25% of the value of the creditors voting vote to reject your proposal. You will be given an opportunity to attend a face to face meeting with your Nominee in order that any modifications can be explained and discussed. Your creditors meeting may need to be adjourned in order to facilitate this. (The maximum adjournment allowed is fourteen days after which point your Nominee must send notice of the outcome of the meeting to your creditors). If you accept the creditor’s modifications then your IVA will be approved your Nominee will become the Supervisor of your arrangement and your file will be passed to the Post Appointment Department who will administer your proposal for the duration of your IVA
- (viii) A case worker in the Post Appointment department will be specifically allocated to your case.
- (ix) You and your creditors will be provided with a copy of The Chairman’s Report. This is the document that your Nominee sends to your creditors following the meeting. It sets out the results of how your creditors voted at the meeting, any modifications they required, and the appointment of your Nominee as Supervisor of your arrangement. You will need to sign one copy of the Chairman’s Report and return it to your Supervisor. This evidences your commitment to the IVA and your acceptance of any modifications required by your creditors.
- (x) In the event that the IVA is rejected The Chairman’s Report will set out which of your creditors rejected your proposal and the voting rights attributed to each voting creditor. If your IVA is rejected by creditors your Nominee will ensure that you receive advice on the options available to you which may include advising you to file for your own bankruptcy. Your creditors may take this step themselves. Your creditors are only likely to do this if they feel that they would be better off if you were bankrupt. These issues will be discussed with you both at the outset of your instructions and after your creditors meeting in order to give you a clear way forward.

- (xi) Once your IVA proposal has been approved your Nominee will become your Supervisor. At that stage your Supervisor will take over the management of your creditors and he will commence the administration of your proposal. He will contact you and confirm in writing the terms upon which your IVA was approved and will advise you of the date of the first payment into your IVA. He will advise you what documents you need to retain for the life of your IVA.

27. LUMP SUM IVA's

If you are proposing to offer a lump sum to your creditors (known as a lump sum IVA) our costs will often be payable out of the lump sum that you have available for your creditors. We will advise you at the outset of your instructions to us as to what our charges will be. We will provide you with a cost estimate at the start of our relationship and this will be set out in the outcome statement that we send to you. This is so that you have adequate time to properly consider whether you would like to instruct us and to consider our fees and charges for using our services. We will have regards to creditor policies and the minimum amount that your creditors are likely to require to be made available to them in the IVA in order to secure the best possible outcome for you at your meeting of creditors. If we are of the opinion that the lump sum you are proposing to offer is not going to be adequate for whatever reason we will advise you of this and as to what other options might be available to you for dealing with your debts.

28. IS MY ATTENDANCE REQUIRED AT MY CREDITORS MEETING?

You will be able to attend your Creditors Meeting if you wish to. It is very rare that creditors attend meetings themselves. Your attendance is not compulsory unless you are advised otherwise. If for any reason your attendance is likely to be required your Nominee will tell you as soon as is practicable in order that you can make appropriate arrangements to attend.

29. VOTING AT YOUR CREDITORS MEETING

An IVA must be approved by the majority of your creditors. In order for your proposal to be approved 75% of the creditors voting by value at your creditors meeting must vote in favour of your proposal. If more than 25% of your creditors vote to reject your proposal at the meeting of creditors your IVA will fail. Please see paragraph 43

30. WHAT HAPPENS IF MY IVA IS APPROVED BY MY CREDITORS

Once your IVA has been approved by your creditors at your meeting of creditors your case will be transferred to the Supervisors post appointment department. An administrator acting under your Supervisors instructions will ensure that you comply with the requirements of your proposal, including checking that you have made your monthly payments and supplied the documentation needed to undertake any salary/annual reviews. Payments will be made to your creditors under the terms of the arrangement throughout the duration of the IVA. Once you have fulfilled all your duties under the arrangement a final distribution will be made to your creditors and a completion notice provided to you and your creditors. Any unpaid part of your debt at this stage will be written off.

31. WHAT HAPPENS IF I OWN MY OWN HOUSE?

If you own your own property and there is equity available you may be required to release part of the equity in the final year of the arrangement. If you are required to remortgage your property to release equity your ability to obtain a mortgage may be restricted and may be at a higher rate of interest by virtue of your compromised credit rating (see paragraph 12 above). If you are unable to obtain a remortgage as required in your IVA, then it may be possible for the Supervisor of your IVA to apply to your creditors to vary the IVA at a further meeting of creditors if required so that the

term of your IVA can be extended by 12 months instead. Consequently you will be required to continue to make monthly payments for 72 months instead of 60. Depending on your circumstances this might be a better course of action for you as if you can repay your creditors for 6 years with no remortgage at the end of the term of the IVA this may be a more cost effective outcome for you. It would be a matter for your creditors to decide if they would be agreeable to this. Sometimes creditors change their policy on such issues which may affect such as whether they are willing to accept payments for 6 years as opposed to 5 years and not receive a lump sum from the equity in your property. Your Insolvency Practitioner does not have any control over such policy changes. We will notify you if we become aware of such creditor policy changes which may affect our advice to you. If you have equity in your property this will be discussed in detail with you at the outset of your instructions. It may be possible to exclude your property from the arrangement to creditors particularly in circumstances where there is no equity. Once we have fully assessed your circumstances we will advise you if we think this might be possible. Usually creditors expect that your property will be revalued in year five of the arrangement and efforts made to secure a remortgage to release a proportion of the equity into the arrangement.

32. HOW LONG WILL MY IVA LAST

IVA's usually last for five years occasionally six, rarely longer. For the duration of the IVA you will be expected to manage your finances effectively to ensure that all your surplus income (after deduction of your reasonable day to day living expenses) is made available (i.e paid) to your creditors. If you are a home owner and you are required by your IVA to release part of the equity for the benefit of your IVA creditors and you are unable to release the equity due to your poor credit history, age or income then it may be possible to extend the IVA (subject to your creditors approval) by 12 months instead of equity being released.

33. OUR CLIENTS ACCOUNT

Once your IVA has been approved you will be required to make monthly payments in accordance with the terms of your proposal. Any monthly payments that you pay to your Supervisor will be deposited into your IVA Client Account pending disbursement to your creditors in accordance with your proposal.

34. YOUR CREDITORS AND/OR THEIR APPOINTED REPRESENTATIVES.

Once your IVA has been approved by your creditors they should not contact you directly as your Supervisor will take over the management of your affairs and your creditors. In reality some creditors may continue to contact you by post inspite of this. In the event of a successful outcome at your creditors meeting contact will diminish once the creditors receive and record receipt of The Chairman's Report.

35. OVERALL IVA COSTS

There is a cost to providing advice to you and in getting your IVA approved and in progressing your case to creditors meeting and managing your IVA for its duration. Our fees are divided into two categories.

a) Nominees Fees

These are the fees that are incurred by us for agreeing to act for you and for holding your meeting of creditors. The fee is typically five monthly payments or a minimum of £1000 whichever is greater. The Nominees fees are paid out of the proceeds of the arrangement and are detailed in your proposal documents.

b) Supervisors Fees

Once your IVA has been approved by creditors your Supervisor will monitor and supervise your proposal for its duration. The fees that are chargeable for this are usually expressed as a proportion of what is recovered

for your creditors in the IVA - usually between 15% and 23% of realisations. (In other words between 15% and 23% of the total payments you make in your IVA after deducting Nominees fees and disbursements)
Alternatively fees may be dependent on how much time is spent in supervising your arrangement

c) Disbursements

The Insolvency Practitioner will incur various disbursements in order to correctly register your IVA and finalise it. Disbursements amount typically to around £1000 per proposal and your Nominee will advise you in detail what these are and these will also be detailed in your proposal.

Please note that all Insolvency fees ie Nominee, Supervisors fees and disbursements are paid out of the proceeds of the arrangement. You would not be required to make any additional payments in respect of Nominee's and Supervisors costs.

You will be provided with details annually of your Supervisor's fees in the annual report that he will prepare and which will be forwarded to you and your creditors.

The following is an example of how IVA costs can be calculated on a monthly payment of say £250 if your IVA is approved and successfully concluded.

Voluntary Contributions are 60 monthly payments of £250 = £15000,

Nominees fees are usually 5 monthly payments the Voluntary Contributions amount to $5 \times £250 = £1250$

Supervisors fees are calculated to be total realisations £15,000 (ie the total amount you pay into the arrangement) less deduction for Nominee's fee ($£1250 \times 15\%$) ie £2063.

Disbursements up to approximately £1,000 will also be applied

Total costs = £4312 to the Insolvency Practitioner which will normally be paid out of the monthly payments you make into the arrangement.

You may already have been provided with an outcome statement that compares the estimated costs and duration of your undertaking an IVA or alternatively an informal Debt Management Programme.

36. FAILED IVA – UNPAID NOMINEES FEE'S

You will be advised as to your prospects of successfully putting forward an IVA proposal that is likely to be approved by creditors.

If your IVA is not approved by your creditors any payments you make on a monthly basis will be retained by us in part payment of the Nominees fees. All other unpaid Nominees fees will be written off and thus you would not be required to make further payment towards costs in the event of an unsuccessful outcome. You would not however, in this regard be entitled to a refund of any fees if your IVA fails at the meeting of creditor's stage. In circumstances where we assess your prospects of a successful outcome at creditors meeting to be less than 50% we will advise you of this and we may require you to pay the Nominees fees upfront prior to the creditors meeting being scheduled. We will advise you of the sum that we require in payment of the Nominees fees should this be necessary. Should you have any queries at all on the question of costs or fees please do not hesitate to contact us for clarification. If we require you to make monthly payments before your creditors meeting on account of costs we will advise you and write to you separately to you in respect of it.

37. WORSENING PERSONAL CIRCUMSTANCES DURING AN IVA

It is possible during the life of your IVA to propose amendments/alterations to your IVA. Should for any reason your circumstances deteriorate for example, if you were to lose your job or suffer a reduction in income during the term of your arrangement which might impact on your ability to make the payments envisaged in your proposal, your Supervisor might be able to propose a variation to your IVA to your creditors to enable you to make reduced payments during the remaining term of your IVA. Sometimes the Supervisor will have discretion to reduce payments slightly in these circumstances.

There is no guarantee that your creditors will accept a variation for a reduced monthly payment. If your creditors refuse a variation for a reduced monthly contribution it is possible that your IVA could fail. Sometimes even if they accept a reduced contribution creditors expect the duration of your IVA to be extended to enable you to make the total payments envisaged in the original proposal. You will be advised if this happens. Before the variation is proposed you will be advised as to your prospects of a successful variation. Creditors will consider your proposed variation at another creditors meeting. The proposed variation documents will be drafted and sent to you for approval first and then to and all your creditors before the date is set for the meeting so that they have time to properly consider your proposal and vote either to accept or reject the same. There will be additional Supervisors fees incurred in proposing variations. These are usually paid out of any funds available to your creditors in the IVA in the first instance. If you have failed to make sufficient payments to cover the payment of the Nominees fees or any outstanding Supervisors fees then this may impact on the Supervisors ability to hold a variation meeting for you. You will be advised by your supervisor if there is a problem in this regard. If your creditors do not accept the variation your IVA will fail if you are unable to meet the payments due under the original IVA.

38. IMPROVED CIRCUMSTANCES DURING AN IVA

In the event that your circumstances improve during the term of the IVA this will have consequences for you and your IVA. Much will depend on the reason for the improvement in your circumstances. For example in the event of your making a successful Payment Protection Insurance reclaim or if you were to come into some money by some other means these sums will need to be paid into the arrangement for the benefit of your creditors in addition to the voluntary contributions and other asset realisations envisaged in your proposal. Similarly if you were promoted at work and you received regular bonuses and/or a significant pay rise, a proportion of these additional sums would become payable into the arrangement. In such circumstances depending on the additional income/lump sums involved and the extent of the debt you owe it is possible that your creditors could expect payment of the debt in full plus statutory interest at 8%. The cost of the IVA (ie Nominees fees and Supervisors fees) would additionally become payable by you.

In the event of a successful PPI reclaim the balance owing to the creditor offering the refund may also reduce thus lowering the overall debt level. Your creditor would be expected to submit a revised proof of debt form ie a reduced claim in the arrangement and this would have the effect of increasing the dividend available to all of you creditors in your IVA. If you feel that you will experience such an improvement in your circumstances please can you tell us as this may impact on the advice we give you. We will usually instruct a specialist company to review whether any such claims can be made and their review fee will be met from the monthly contributions you pay into the arrangement.

39. THE INSOLVENCY PRACTITIONERS ROLE AS YOUR ADVISOR

The role of your Insolvency Practitioner will change during the conduct/progress of your IVA. Prior to his formal appointment as your Nominee your Insolvency Practitioner will act as your advisor. This role covers the period upon your first instructing your Insolvency Practitioner and the signing of your proposal document. During this period he will consider and advise you on the best course of action for you and he will make recommendations as to all options available to you the most appropriate solution to your financial circumstances bearing in mind your creditors likely expectations.

40. YOUR NOMINEES DUTIES

When your proposal documents have been finalised, checked and signed by you, your Insolvency Practitioner will be formally appointed as your Nominee. He will act as your Nominee for the period between you signing the proposal documents and the date of your creditors meeting. At this stage his duty will be to you, your creditors and to the Court (if applicable). He will need to perform an independent objective review and assessment of your proposal and at that stage he will submit a report to the Court (if applicable) and to your Creditors together with the proposal documents itself. The Nominees report sets out a balance between your interests with those of your creditors. He has a duty of independence and objectivity and this cannot be fettered by your instructions.

41. YOUR SUPERVISORS DUTIES

Once your proposal has been approved at your Creditors meeting your Nominees role changes to that of Supervisor of your arrangement. His obligations and responsibilities as your Supervisor will continue until such time as your IVA is successfully concluded or terminated. His responsibilities at this stage are governed by the terms of your arrangement that has been approved by your creditors. He will need to maintain an independent stance acting for both you and your creditors and ensuring that you comply with the obligations that the IVA places upon you. His duties to your creditors and to the Court include compliance with all statutory reporting requirements.

42. QUARTERLY AND ANNUAL REVIEWS

We may be required to carry out quarterly and annual reviews of your finances. This will involve us reviewing your income and expenditure and supporting documents in order to ascertain whether your voluntary contributions can be increased into your arrangement. We will need to verify your financial position by having access to your payslips and bank statements; you will be asked for these and it is important that you keep safe these documents and have them available for this purpose. Most creditors require 50% of any additional income that you receive by way of overtime and bonuses to be paid into the arrangement as an additional payment to the monthly payment you make. We will reassess your income to see what additional payments you are required to make into your arrangement.

Should you experience any changes in your financial circumstances you should contact us as we will need to carry out a review of your financial statement and advise you if additional payments are required from you. This will ensure that you do not fall into arrears with your payments and do not breach the terms of your proposal. We will contact you for the relevant documentation so that this can be undertaken. If you fail to co-operate either by failing to provide the relevant documentation or if you fail to make the additional payments this may well result in your IVA failing.

If you fail to co-operate with the reviews this will compromise the viability of your IVA. As set out in paragraph 2 above your creditors have strict guidelines that all financial management companies and Insolvency Practitioners use when working out what expenditure can be allowed for each item. You will be required to provide proof for unusual items of expenditure or expenditure which exceeds the sums stated in the creditor's guideline figures. If there has been deterioration in your financial position you will be advised accordingly.

43. WHAT HAPPENS IF MY IVA IS NOT ACCEPTED BY MY CREDITORS

If your IVA is rejected by your creditor's advice we will notify you with the reasons for this. We will notify Moneysolve or another Introducer if you have been referred to us by them of the position and the creditor's reasons for refusal. We will ask them to provide you with advice regarding alternative options available to you including whether it would be appropriate for you to either enter into an informal debt management programme with your creditors or instead to file a petition with the Court for your own Bankruptcy. We will also provide you with information as to where you may be able to source other advice such as the Citizens Advice Bureau and the Money Advice Service and other charitable entities. Such organisations are usually funded by Central Government or Banks/Lending Institutions. You can find out more by contacting the Money Advice Service. Their website address is www.moneyadviceservice.org.uk.

From your creditors view if your IVA is refused they will:

- (i) Continue with their attempts to collect your debt. They may commence court action against you or appoint collection agencies.
- (ii) Interest will continue to accrue on your accounts.
- (iii) Your creditors may apply for your bankruptcy. In our experience they will only do this if they feel they have more to gain from you being bankrupt.

In relation to any fees you have paid for the preparation of the documents required for your IVA you would not be entitled to a refund of these fees unless we have acted in breach of our terms of business with you. We will not seek to recover any unpaid Nominee's fees from you in the event of your IVA not being approved by your creditors.

If your IVA is refused you are likely to find yourself in a worse financial position that you started.

Please note that we would not recommend an IVA to you if we thought the same would not be accepted by your creditors. We will provide you with our views as to your prospects of success at the outset of your instructions.

44. HMRC – HER MAJESTY'S REVENUE AND CUSTOMS

HMRC have a set of criteria which if not met will result in their rejection of an IVA proposal. They are likely to refuse your proposal:

- Where your Tax/VAT /PAYE returns are not up to date
- Where you have had poor compliance history
- Where you have repaid other creditors ahead of HMRC
- If HMRC feel that you have deliberately avoided paying the tax that is due
- If they disagree with the figure you estimate for our income
- If they feel that the valuations for any assets are inaccurate

45. REASONS WHY IVA'S FAIL AT CREDITORS MEETING STAGE

We will advise you at the outset as to your prospects of your IVA being approved by your creditors. If we do not believe that your proposed IVA will be approved by your creditors we will tell you as soon as practicable and provide you with reasons. Common reasons for creditors refusing to accept an IVA include:

- Continuing to incur expenditure on your credit cards or recent further borrowings once we have been instructed i.e after knowing you are insolvent. Creditors tend to regard this as fraud, in other words that you knowingly increased your balances on your credit cards, bank accounts etc when you knew you were insolvent and thus knowing that at the time of incurring the expenditure that you would have been unable to repay your creditors in full.
- The Inland Revenue reject IVA's where tax returns have not been submitted either on time or at all.
- Where the Income and Expenditure schedule includes unusually high items of expenditure, without there being a good reason for this.
- Where assets are excluded from the proposal without good reason.

46. YOUR RESPONSIBILITIES TO US PRIOR TO AND FOR THE DURATION OF YOUR IVA

You must fully co-operate with your Supervisor/us and provide when asked:-

- (i) Prompt, clear and accurate instructions.

- (ii) All the documentation that will be needed to formulate and carry out the administration of your IVA. Look after any documents which we will need to formulate and manage your IVA. You must advise us of any changes in your circumstances. For example if you have been awarded a pay rise at work or if you receive any windfalls or inheritances (as these need to be paid into your IVA in addition to your voluntary contributions)
- (iii) Assist us when requested to do so in the furtherance of your IVA.
- (iv) Notify us of any changes in your address, telephone number, employment or other personal circumstances.
- (v) Refrain from misleading us or providing us with false information.
- (vi) Comply with the terms of your IVA
- (vii) Make payments into your IVA together with any additional payments due on time as instructed.

Adverse consequences are likely to follow if you are unable to make your monthly payments or any additional payments due in the arrangement. You must contact us as soon as you become aware that there might be a problem with this to explain the reasons why and confirm what your prospects are for catching up with late payments. Your Supervisor will advise you accordingly. Your responsibilities on the IVA has been approved are set out in greater detail in Appendix 5 of your proposal documents under paragraph 17.

47. CONSEQUENCES OF NON-PAYMENT: WHAT HAPPENS IF YOU FAIL TO MEET THE MONTHLY PAYMENTS OR THE ADDITIONAL CONTRIBUTIONS

If you fail to make the required payments into your IVA it is likely that your IVA will fail. Subject to the modifications that your creditors introduce you may get some flexibility but any missed payments would need to be made good. Subject to your creditor's prior approval you may get additional time to make these missed payments. This will depend on the reason for your inability to make the payment on its due date and how long you think you will need to catch up with your payments. If your IVA fails any payments that you have made into the arrangement will be distributed to creditors after a deduction has been made for Nominees fees, Supervisors fees and disbursements.

Your position will then revert back to where it was prior to the IVA being approved. In other words your creditors will:

- (i) Start debt collection procedures again whether by commencing court action or appointing collection agencies to pursue payment of the debt on their behalf. Court action may follow.
- (ii) Interest and charges will start being applied to your accounts again including all the interest that had previously been frozen at the contractual rate
- (iii) Creditors and other Agencies may make further adverse credit entries on your credit file.

Depending on any modifications introduced by your creditors, your Supervisor may be required by your creditors to fail your arrangement and subsequently petition for your bankruptcy at Court. If this is required your Supervisor will not have any choice but to adhere to your creditors requirements. If your proposal fails and you own your own house as this would be regarded as a trust asset. It may end up being repossessed and sold so that the equity is made available to your creditors. In order to enjoy the benefits an IVA can confer you must successfully complete the IVA. Failure to do so will likely result in your financial position deteriorating further. At the date of failure of you IVA any sums you have paid into the IVA prior to that date will be used in the first instance to cover payment of Nominees fees and Supervisors fees.

48. CHALLENGES TO AN IVA

A creditor may seek to challenge the approval of an IVA if the creditor feels there has been any material irregularity (ie the procedure has not been properly followed) or if they have suffered unfair prejudice. Any creditor wishing to challenge the IVA must make an application to the Court within 28 days of the result of the meeting being notified to the Creditors. Time limits are not always strictly applied by the Court which

has discretion to hear such an application dependent on the circumstances outside of the initial 28 day period. A challenge is fortunately, however, is a very rare occurrence.

If the IVA is successfully challenged at Court the Court has wide discretion as to the Orders that it can make including setting aside the IVA. If this happens you will be in the same position that you were in before the IVA was approved in the first place.

49. INTERIM PROTECTION FROM CREDITORS

If a creditor is taking some form of enforcement action for example a Statutory Demand has been issued and served against you or a petition of bankruptcy has been threatened or issued it may be appropriate to seek some immediate protection from creditors. In order to give us some time to properly advise you and to formulate an appropriate way forward an Interim Order can be secured which would serve this purpose. If an Interim Order is made this would prevent any creditors from continuing legal proceedings or enforcement action. In most cases it is not necessary for us to make such an application to the Court. However we will review your circumstances at the initial stages and keep your creditors actions under review so that this form of relief can be utilised if it is deemed necessary. We will keep you informed in this regard.

50. COMPLAINTS

We sincerely hope and expect that you will be totally satisfied with the work and the service you receive from us. However, if you are unhappy with any aspect of the service provided it is important that you raise any concerns that you have initially with the advisor dealing with your case. If you require clarification on any issue or in the event that you are still unhappy you can raise your concerns with our IVA head of Department. He/she will do their best to address any concerns that you have promptly. In the unlikely circumstance that he/she cannot deal with your complaint you may raise your concerns with Mark Beesley. On receipt of your complaint Mark Beesley will carry out a full investigation.

You will be given an opportunity to attend our office and to discuss any queries or issues you have. At the end of the process we will provide you with a full written response. We will ensure that you receive an adequate summary of the steps we intend to take to resolve any problems. We emphasise that any complaint will be regarded as an opportunity to improve our service to you. If for any reason we are still unable to resolve the problem you may refer the matter to the Central Government Gateway for complaints regarding Insolvency Practitioner. You can do this in the following ways:

- by calling the Insolvency Service Enquiry Line on 0300 678 0015 (Monday to Friday 8am to 5pm),
or
- by completing and emailing the online complaints form on the Insolvency Service website <https://www.gov.uk/complain-about-insolvency-practitioner>
- by printing and completing the online complaints form and posting it to: IP Complaints, Insolvency Service, 3rd Floor, 1 City Walk, Leeds, LS11 9DA.

51. OTHER GUIDANCE MATERIAL

Other guidance material to help you deal with your creditors is freely available online. The insolvency service publish a guide to help people in debt called "In Debt? Dealing with your creditors" the contents of which we have discussed with you and is available for you to review in full on our website at www.beesley.co.uk. You will also be provided with R3's leaflet headed "Is an IVA right for me?" This leaflet contains important information and we would suggest you read it carefully. This is also available on our website.

52. ABOUT BEESLEY AND COMPANY

We have extensive experience of helping people and companies with their financial difficulties. Mark Beesley a licensed Insolvency Practitioner is regulated by Association of Chartered and Certified Accountants.

53. MONEYSOLVE LIMITED

If your case has been referred to us by Moneysolve Limited, Moneysolve Limited is a company that is owned and managed by Elizabeth Beesley. Elizabeth Beesley and Mark Beesley, your Insolvency Practitioner, are married. No referral fees are paid by Beesley and Company to Moneysolve for referring your case to us.

54. THE STORAGE OF YOUR FILE OF PAPERS

The salient information contained in any correspondence we receive about your accounts from your creditors is entered onto our computer systems. Thereafter the correspondence will be retained and kept with your IVA file.

On conclusion of your IVA, if you so wish, we will return all your original paperwork to you. If you do not want this paperwork to be returned to you we will place your documents together with our own files in secure storage for a period of 6 years following the conclusion of your IVA. After this period we will destroy the paperwork.

55. OUTCOME STATEMENTS

You will be provided with an outcome statement which compares what your position would be in an IVA (if approved by your creditors) and an informal debt management programme. The outcome statement details the likely overall costs and duration of an IVA as compared to a debt management programme. This document should help you to make a decision as to which solution would best suit you and helps you to compare costs and duration of the different solutions. In relation to Bankruptcy we have advised that the current disbursements that you will need to pay to the Court prior to your presenting your Bankruptcy papers at Court is £705. Once the Bankruptcy Order is made you may have to make payments into your bankruptcy estate for three years. These payments will be in the general region of the voluntary contributions that you are proposing to make into your proposed IVA.

56. SHARING OF OFFICE

Moneysolve Limited, Beesley Solutions Limited, Astute Money Limited and Tythebarn Finance Limited in part share office premises. The companies are all separate and independent of one another and separately licenced and regulated although Elizabeth Beesley the owner of Moneysolve has a financial interest in the first three companies. We are mindful at all times of preserving your confidentiality and the protection of your data. Should you have any queries in relation to this please do not hesitate to contact us.

57. OTHER INTRODUCERS

On occasion we pay fees to independent introducers who may refer clients in financial difficulty to us for advice. Their fees are paid to reflect the work they have done in putting together details of your financial position and collating required documentation. If you were referred to us by another business or company and you would like further information in relation to our referral arrangements with that company please do not hesitate to ask us.

58. NUISANCE/ UNWANTED TELEPHONE CALLS

We have all been bothered from time to time with telephone calls and text messages that we do not want. Many of us however don't know what we can do to make them stop.

Essentially if you do not wish to receive nuisance telephone calls you can register your telephone number (both mobile and landline) with the Telephone Preference Service. (TPS for short). To do this all that you have to do is telephone 0845 0700707. Alternatively you can register on line by visiting their website at www.tpsonline.org.uk. Once you have registered your telephone numbers with the TPS you should not receive any unsolicited marketing calls. If you do you should ask for the name of the company calling you and their address. Keep a record of this. You should tell them not to call you again and ask for your telephone number to be placed on an exception report so that that company does not call you again. If you are called when your number has been registered with TPS you can make a complaint by visiting the TPS website and logging your complaint there.

You can also stop unwanted text messages. All that you need to do is to text 7726.

These steps should adequately protect you from nuisance calls. However in the unlikely event that you still continue to receive unsolicited calls and messages you can make a complaint by telephoning the Information Commissioners Office on 01303 123111. If you would like some help and advice on this please do not hesitate to contact us.

59. JURISDICTION

Any dispute or claim arising in connection with our services shall be governed by the laws of England and shall be subject to the exclusive jurisdiction of the English Courts to which the parties irrevocably submit.

We look forward to being of service to you. Should you require further information on any issues set out in this leaflet please do not hesitate to contact us.

Glossary of Terms

Assets

Any property or personal belongings that you own that are capable of being sold to provide payment to your creditors. For example this could include the house that you live in if you own it, any cars that you own, any policies that could be cashed in to release money for the benefit of your creditors or even any claim that you may have for example financial mis-selling.

Bankruptcy

This is a formal debt solution which enables a person in debt or their creditors to apply to the court for a Bankruptcy Order which essentially declares that the person in debt is unable to pay their debts as and when they fall due. Where a bankruptcy order is made all the debtors assets vest in the Official Receiver. Some debt write off is possible. This is subject to Income Payments Orders (or Agreements) and the possible sale of any assets in order to maximise what money there will be available to creditors in a bankruptcy situation.

Commencement Date

The date which we receive your completed pack together with supporting documentation and signed form of authority consenting to us acting for you.

County Court Judgement

This is an order of the Court requiring you to pay the outstanding sum plus costs and interest owing to your creditor. Failure to do so could result in enforcement action being commenced against you including periodic payment orders, Attachment of Earnings Orders, Bailiff action and Charging Orders against property.

Creditors

These are the banks, building societies credit card companies and other companies from whom you have borrowed money.

Credit Rating

This is the credit score that consumer credit reference agencies allocate to your credit worthiness. Where your credit rating is good, you will be provided with an appropriate credit score that reflects this. Similarly where you have missed payments to your creditors and you have not paid creditors and utilities on time your credit rating will be poor. Your credit score will have a direct impact on whether you are able to access financial services and the cost to you thereof.

Credit Report

There are a limited number of companies who are responsible for maintaining accurate records which they collect from banks and other financial institutions regarding your credit rating. These companies can produce a report for you which details your full credit history.

Debt Management Programme

This is an informal arrangement between you and your creditors that enables you to pay a reduced payment each month towards your outstanding debts. This can be managed by a commercial debt management company or a non fee charging organisation.

Debt Relief Order also known as “bankruptcy light”

This is a formal insolvency procedure designed for those with debts not exceeding £15,000, no assets and a low surplus income each month. Once the Debt Relief Order is in place, debt write off is possible.

Debtor

This is an individual who has borrowed money from a bank or lending institution.

Default Notice

This is a legal notice that the creditor is required to send to you before that they are in a position to take legal action against you. The notice provides you with information such as the amount of your debt and the total sum of the arrears. The notice requires you to pay the arrears on your account in full. Once you have been served a default notice failure to pay off the arrears in full usually within 14 days could result in the creditor in question commencing legal action against you.

Distribution to Creditors

This is the process by which we forward the sums you pay to us each month to your creditors in payment of your unsecured debts.

Financial Statement

A financial statement is a document that sets out all of your income and your expenditure. This will enable you to demonstrate to your creditors how much surplus money you have each month to pay towards your unsecured debts.

Joint and Several Liability.

This arises in circumstances where two or more people agree to take out a loan from a bank or other lending institution in joint names. In circumstances where individuals in question cannot pay the joint debt, the creditors can pursue one debtor in preference to the other debtor to reclaim the sums that are due and owing under the agreement.

Late Payment Charges

These are fees which your creditors apply to your account in circumstances where you have not made your contractual monthly payment on time, for the correct amount or at all.

Legal Action

This is the process by which a creditor can issue proceedings at Court against you in respect of an unpaid debt. This could result in a County Court Judgement being entered against you.

Liabilities

This is the total amount of your outstanding debts.

Individual Voluntary Arrangement.

This is a formal debt solution that enables a person in debt to repay your creditors at a lower monthly rate than that set out in your original contract with your creditor. It requires 75 percent of your creditors voting at your creditors meeting to approve the same. A voluntary arrangement must be administered by a licensed Insolvency Practitioner. Some debt write off may be possible.

Interest

This is an additional sum of money which your creditors charge you in respect of the monies loaned to you. Added interest can result in the size of your debt getting bigger.

Periodic Review

This is the process by which we verify the accuracy of the information we hold about you and our advices to you. You are required to forward 3 months bank statements and 3 months' payslips for this purpose.

Preferential Creditors

Preferential creditors are those who are to be paid as a priority to other creditors.

Priority Debts

This includes such debts as your mortgage or rent, utility bills and Council Tax.

Regulator or Regulatory Body

The Financial Conduct Authority

Secured Loans

These are a type of loan that is provided to a borrower on the basis that the bank will have security in respect of those sums. Types of secured loans include Mortgages and Second/third charges. Sometimes loans can be secured on motor vehicles. Such loans are known as hire purchase agreements or conditional sale agreements.

Sensitive Personal Data

This is data that is of a sensitive nature. Information such as your state of health, or particulars of your personal circumstances.

Unsecured Loans

These include all debt which is not secured on any property and can include bank loans, credit card debt, catalogue and store card debts etc.

