
London Capital & Finance (LCF)

Guide to providing evidence for LCF customers

Why does FSCS need evidence?

To pay any claim, against any firm, FSCS must be satisfied that the claim is [eligible under our rules](#). One of the key criteria is that we must be able to prove the firm owes you a 'civil liability' against a regulated activity that we can cover, like providing poor financial advice.

For us to be confident that a firm would owe you a civil liability, we need to see evidence in much the same way that a court would. When we agree to pay a claim, we are essentially saying that if the firm was still in business, and you took it to court for the money you lost, we think the judge would decide in your favour.

This is why we need evidence, for example documents or call recordings, that demonstrate the firm was negligent when it carried out a regulated activity so that we can prove it is responsible for your loss. In LCF's case, this is evidence such as a call, email or letter that showed a customer receiving advice to invest. We can't agree to pay a claim without this evidence.

What do I need to provide as evidence?

The evidence we've received from LCF and Surge, which we've used to prove some LCF customers received misleading advice, was mainly recordings of phone calls and copies of emails or letters. If you have any of these, and believe they show that you were given misleading advice to invest, you can send them to us by following the instructions below.

What has FSCS seen that has been accepted as evidence of advice?

In many of the claims we have been able to pay, the evidence shows LCF or Surge downplaying the risks involved in the investment, and making multiple statements about this in their calls, emails and letters.

These communications were often personalised and may have used words like '*doomsday scenario*' or '*financial crisis scenario*' to describe the risks of LCF failing. They may also have used phrases like '*Risk is the most important thing for an investor*' and then explained how the LCF asset backed security scheme would reduce risk for the customer.

What has FSCS seen that hasn't been accepted as evidence of advice?

We know many customers received standard marketing materials that weren't personalised or tailored to them. Many also have emails and letters from LCF that were addressed to them, but simply contain information relating to their investment, with no evidence of advice.

Some examples are in the table below. We can't accept these as evidence, even if they contained incorrect information, as they don't show advice being given.

Examples of evidence that doesn't contain advice

Re: London Capital & Finance Plc Innovative Finance ISA, Series 4 ISA 3-Year 8.0%

Thank you for choosing to invest in London Capital & Finance Plc. This letter is confirmation that we have now received your investment amount of £12,500.00 and have issued to you a total of 125 secured bonds. Enclosed with this letter is your bond certificate confirming your holding.

Your online investment account is now active and can be accessed via our website www.londoncapitalandfinance.co.uk by clicking on 'Client Login' at the top of the web page. Please note that interest is paid at the end of March, June, September and December, this will be paid directly into your bank account with the account details you have provided on your application form.

If you experience any problems logging into your account or should you have any questions, please do not hesitate to contact us on the details outlined below;

You never know when your circumstances might change, so our 5 year fixed-rate bond comes with an optional 12 month exit option.¹

At the end of the first year, you can decide whether you want to receive **8.95% interest** and continue your investment, or to redeem your capital.

If you choose the latter, we'll return your investment and pay you **3.95% interest**, a rate which we think is still impressive for a 1 year investment.²

Dear Customer,

Thank you for investing with London Capital and Finance Plc. Your 2-year bond will mature on the 16th February. I would like to take this opportunity to confirm your investments success with us. I hope you have been satisfied with the service and returns that we have provided over the past 2 years.

London Capital & Finance has 6 years of successfully providing fixed rate bonds and ISAs to investors looking for returns better than those available on the high street.

As of the 31st October 2018, we have maintained our 100% track record in making interest payments to our investors, as well as repaying all capital in full and on time. We have grown substantially since 2012, and now have over £214 million in invested funds and hold more than £685 million worth of assets as security.

We currently offer a range of fixed-rate investments that you may be interested in. Should you choose to reinvest with us, it is important that you read the relevant information memorandum and note that your capital is at risk.

To discuss your reinvestment options and to confirm your final interest payment amount, please call me at your earliest convenience and I will be glad to help.

*Yours sincerely,
LCF Employee*

I've got evidence of advice, how do I get my documents to you?

So that we can attach the right documents to the right LCF bondholder, there's a simple process that you'll need to follow if you've reviewed your documents and believe they show you received misleading advice to invest.

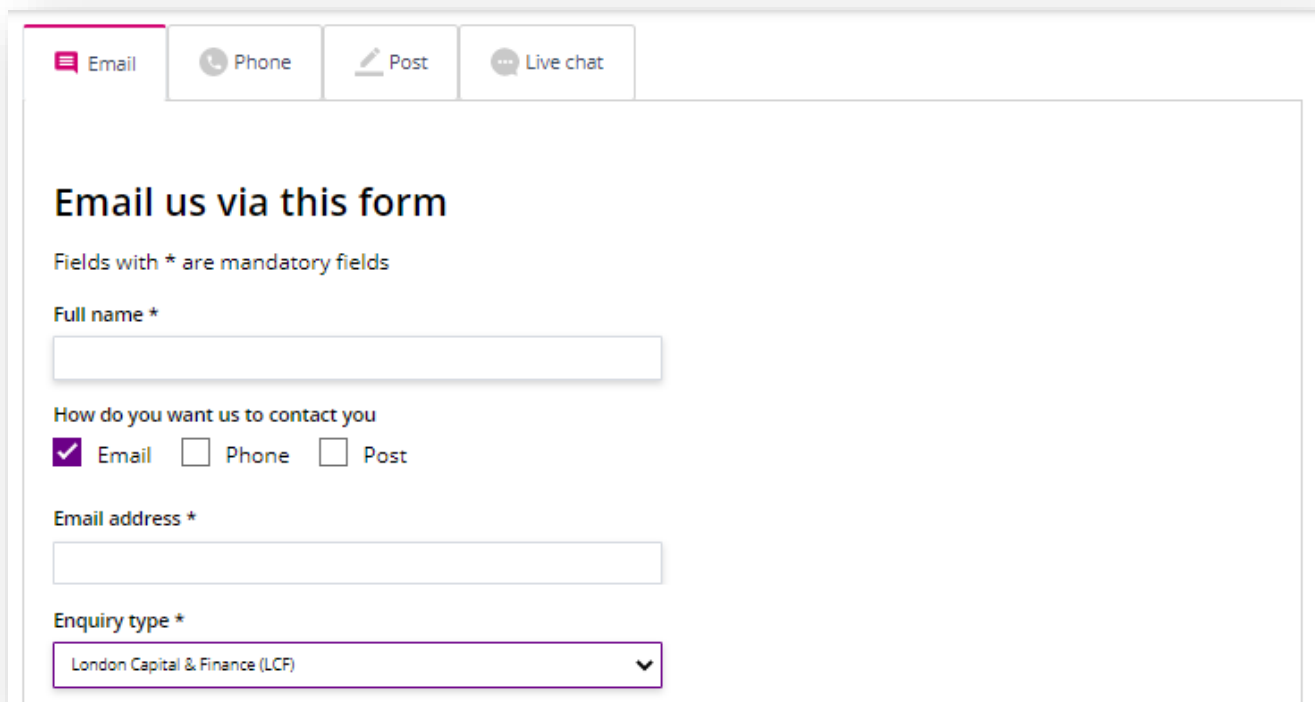
Step 1 - Use the 'contact us' form on our website

Visit <https://www.fscs.org.uk/contact-us/>, enter your name and how you'd like to be contacted. Then select 'London Capital & Finance (LCF)' as the enquiry type.

You will then need to complete the fields that appear, which include:

- Your date of birth
- Your national insurance number
- Your address, and the address at the time you dealt with LCF if this has changed
- Bond numbers, amount invested, and the approximate date you invested

Once you submit these details and we have checked them, one of the team will contact you and provide a unique claim reference number.



Email
 Phone
 Post
 Live chat

Email us via this form

Fields with * are mandatory fields

Full name *

How do you want us to contact you

Email
 Phone
 Post

Email address *

Enquiry type *

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Step 2 – Send in your documents

It's quickest to do this by email to claims@fscs.org.uk, but the team can give you a postal address if needed. **You must quote your claim reference number** in the subject line of the email or in a covering note with any posted documents. We can't look at any emails or documents without a claim reference number.

When using email to send copies of letters, it's fine to send scans or high-quality photographs from your smart phone or tablet, as long as the documents are clear and legible.

Step 3 – We'll contact you once we've reviewed your documents

One of our dedicated LCF claims team will review the documents you've sent and get in touch as soon as we have a decision for you. How long this takes will depend on how much evidence we receive to review, but we will of course look at every claim as soon as possible.

Please note that if you choose to send any documents to us, you won't be able to receive any compensation from the government's scheme until we have made a decision on whether the evidence is sufficient.