



**IMMEDIATE: 26.04.10**

**MEDIA INFORMATION**

### **FSCS can help consumers claim up to £50,000 in compensation**

Consumers could claim up to £50,000 if they have lost money as a result of their dealings with any of the investment firms the Financial Services Compensation Scheme (FSCS) has recently declared in default. The FSCS is the UK's statutory compensation scheme for customers of authorised financial services firms. It does not charge consumers for using its service.

Declaring a firm in default is the final part of a process in which a firm regulated by the Financial Services Authority has been found by the FSCS to be unable, or likely to be unable, to pay claims against it. This means that customers who have lost money as a result of dealings with one of these firms might be able to make a claim for compensation to the Scheme.

"It is important that we let customers know that we may be able to help if they have lost money and the firm cannot pay. The FSCS's existence as a fund of last resort for consumers helps to maintain confidence in the sector by providing assistance to individuals who have suffered a financial loss who otherwise would have nowhere to turn," says Alex Kuczynski, interim Chief Executive.

The FSCS pays up to a maximum of £50,000 per person per firm for claims against firms declared in default on or after 1 January 2010. The maximum level of compensation for claims against firms declared in default before 1 January 2010 is 100% of the first £30,000 and 90% of the next £20,000 up to £48,000 per person per firm.

The types of investment claim that the FSCS usually handles relate to advice. For example, if somebody has been advised to buy an investment product such as an endowment policy, but it was unsuitable for them and they have lost money as a result of the advice they received.

A list of the investment firms the FSCS has recently declared in default can be found below. Consumers who believe they may have a claim should contact the FSCS on 020 7892 7300, or by email at [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk). Further information about the FSCS's work and how to claim is available on its website at [www.fscs.org.uk](http://www.fscs.org.uk).

#### **Press Enquiries:**

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## **Notes to Editors:**

### **1. About FSCS**

The Financial Services Compensation Scheme (FSCS) is the UK's statutory compensation scheme for customers of authorised financial services firms. This means that the FSCS can pay compensation if a firm is unable, or likely to be unable, to pay claims against it. The FSCS is an independent body, set up under the Financial Services and Markets Act 2000 (FSMA). It does not charge individual consumers for using its services.

### **2. UK's statutory Compensation scheme**

The FSCS covers investments, deposits, insurance, mortgage advice and arranging (from 31 October 2004), and advice about general insurance and the arranging of policies (from 14 January 2005).

As the UK's statutory compensation scheme, the FSCS can pay only for financial loss where a firm is unable to meet claims. The compensation limit for deposit claims is £50,000 per person per firm.

### **3. Declaring a firm in default**

Before the FSCS can pay compensation it must be satisfied that a firm is unable to meet claims. It describes this as being 'in default'. The Scheme will declare a firm in default if:

- it has received at least one claim; and
- it is satisfied that the firm is unable (or likely to be unable) to pay claims against it.

The FSCS is required to do this before paying compensation to eligible claimants.

Declaring a firm in default allows consumers who believe they may have lost money as a result of their dealings with that firm to apply for compensation.

### **4. Authorised firms**

The FSCS's rules are made by the Financial Services Authority (FSA), the independent watchdog set up by government under FSMA to regulate financial services in the UK and protect the rights of consumers. The rules explain which types of claim are eligible for compensation, and limit how much compensation we are allowed to pay. Firms need permission from the FSA to carry out a regulated activity, which covers activities such as accepting deposits, insurance business and investment business.

Dealing with an authorised firm gives consumers access to the Financial Ombudsman Service (FOS) and the FSCS. Consumers can check that the firm they are dealing with is authorised by contacting the FSA's Consumer Helpline on 0845 606 1234.

## Declarations by FSCS

### EAST

**A Hadaway formerly t/as ALH Financial Services and ALH Insurance Services** 110 LONDON ROAD, ASPLEY, HEMEL HEMPSTEAD, HERTFORDSHIRE, HP3 9SD

**Gibbins Financial Services** 44 ST AUDREY LANE, ST IVES, HUNTINGDON, CAMBRIDGESHIRE, PE17 6NG

**First Trade Derivatives Limited (formerly First Trade Derivatives Limited)**, SPACES BUSINESS PARK, ELSTOW ROAD, KEMPSTON, BEDFORD, MK42 8PL

**Metlife Independent Financial Services Limited** METROPOLITAN HOUSE, DARKES LANE, POTTERS BAR, HERTFORDSHIRE, EN6 1AJ

**Saint Pauls Capital Limited formerly Hoblyn Walker Corporate Finance Limited** MONTROSE HOUSE, 11 MILLSIDE, STANSTED, ESSEX CM24 8BL

### MIDLANDS

**Alexander Anthony Investments** 30 HEANTUN RISE, WATERLOO ROAD, WOLVERHAMPTON, WV1 4RD

**Award Financial Services Limited** THE BLABY BUSINESS CENTRE, 33 LEICESTER ROAD, BLABY, LEICESTER, EAST MIDLANDS LE8 4GR

**Englands UK Limited** C/O ENGLAND KERR HANDS & CO, 524A HAGLEY ROAD WEST, QUINTON, OLDBURY, WEST MIDLANDS B68 0BZ

**Foster Woods & Company Limited** 20 BROOK SQUARE, RUGELEY, STAFFORDSHIRE, WEST MIDLANDS, WS15 2DR

**Mr M Wright & Mr V Staton (both deceased) t/a Michael Vernon** 65 HIGH ROAD, BEESTON, NOTTINGHAM, EAST MIDLANDS, NG9 2JQ

**Pullen and Davies Financial Services Limited** NORFOLK HOUSE, 2 HIGH STREET, WOLLASTON, STOURBRIDGE, WEST MIDLANDS, DY8 4NH

### NORTH EAST

**Wade Associates (formerly J P L Wade & Associates)** THE INDEPENDENT FINANCIAL ADVICE CENTRE, 75-79 HOWARD STREET, NORTH SHIELDS, NE30 1AF

### NORTH WEST

**K C Consultancy (NW) Limited** 61 STANLEY ROAD, BOOTLE, MERSEYSIDE, LIVERPOOL, L20 7BZ

## SCOTLAND

**James Alistair Lowe** 29 GARFORTH ROAD, BAILLIESTON, GLASGOW, G69 7LB

**J McKeown (deceased) t/a John Mckeown & Son** 6 MUNGAL PLACE, BAINSFORD, FALKIRK, FK2 7RP

**Sharles Financial Management Limited** 29 BRANDON STREET, HAMILTON, LANARKSHIRE, ML3 6DA

**Norland Financial Services Limited (formerly Norland Financial Investments & Insurance services Limited),** 4 CARMELITE STREET, BANFF, AB45 1AF

**Wellington Insurance Services Limited** BALTIC CHAMBERS, 50 WELLINGTON STREET, GLASGOW, G2 6HJ

## SOUTH EAST

**Ascension Securities Limited** SOUTH UNIT, 120 FENCHURCH STREET, LONDON EC3 5BP

**IPTC Limited formerly The Insurance Policy Trading Company Limited** 19 MEADROW, GODALMING, SURREY, GU7 3HJ

**Flint & Co (Abingdon) Limited** 18 STERT STREET, ABINGDON, OXON, OX14 3JP

**John Bruce (Deceased) t/a Nigel Yates & Company** 401 NEW KINGS ROAD, LONDON, SW6 4RL

**Mansion House Securities Limited** 73A NETHER STREET, LONDON, N12 7NP

**Oronhurst Limited** THE GEORGIAN HOUSE, PARK LANE, STANMORE, MIDDLESEX, HA7 3HD

**Principia Consulting Limited** 4TH FLOOR, 17-19 COCKSPUR STREET, LONDON, SW1Y 5BL

**Priory Financial Services Limited** CONNAUGHT HOUSE, ALEXANDRA TERRACE, GUILDFORD, SURREY, GU1 3DA

**Roy E Sansom & Co Limited** 5 THE CENTRAL PRECINCT, WINCHESTER ROAD, CHANDLERS FORD, HAMPSHIRE, SO53 2GA

**Runstone Limited** 31 BEDFORD SQUARE, LONDON, WC1B 3SG

**Teathers Limited formerly T/A Teather & Greenwood (1995), Teather & Greenwood Limited, Landsbanki Securities (UK) Limited** BEAUFORT HOUSE, 15 ST BOTOLPH STREET, LONDON, EC3A 7QR

**The Analysts (Pension & Investments) Limited** ANALYST HOUSE, 15 NEW ROAD, HIGH WYCOMBE, BUCKINGHAMSHIRE, HP12 4LH

**TML Financial Solutions Limited formerly The Mortgage Lender Limited** 3 THE FORUM PARKWAY, WHITELEY, HAMPSHIRE, PO15 7PA

**White Square Investments Limited (formerly Lombard Asset Management Limited, Berwin Asset Management Limited),** TENON RECOVERY, SHERLOCK HOUSE, 73 BAKER STREET, LONDON, W1U 6RD

## WALES

**Chepstow Financial Services** RICHMOND HOUSE, 14 BEAUFORT SQUARE,  
CHEPSTOW, GWENT NP16 5EP

## YORKSHIRE AND HUMBER

**A R Johnson & Co Limited (formerly Greenway Middleton & Co Limited and J.R. Greenway & Co Limited)** FLAXTON HOUSE, PIGEON COTE, BUSINESS PARK, MALTON ROAD, YORK, NORTH YORKSHIRE, YO3 9JS

**Bates Investment Services Limited (formerly Bates Investment Services Plc)** UPPER BANK HOUSE, STONEYTHORPE, HORSFORTH, LEEDS, LS18 4BN

**The Garrison Finance Centre Limited** 36 RICHMOND ROAD, CATTERICK GARRISON, NORTH YORKSHIRE, DL9 3JD

**RBUK Financial Limited (formerly Ronald Blue & Company (UK) Limited and previously The Investment Practice Group PLC)** 21 BROOMFIELD, ADEL, LEEDS, WEST YORKSHIRE, LS16 6AE