

## **FSCS default declarations open the way for consumers to claim compensation**

Consumers can claim compensation of up to £48,000 if they have lost money as a result of their dealings with any one of 39 firms that the Financial Services Compensation Scheme (FSCS) has recently declared in default. FSCS is the UK's statutory fund of last resort for customers of regulated financial services firms. The service is free to consumers.

Declaring a firm in default is the final part of a process whereby a regulated firm (such as a financial adviser) has been found by FSCS to be unable to pay claims, and this means that customers who have lost money as a result of dealings with one of these firms can make a claim for compensation to FSCS.

"This is good news for consumers who have nowhere else to turn if the firm they dealt with can't help," says Loretta Minghella, Chief Executive. "The existence of a fund of last resort for consumers helps to maintain confidence in the sector and encourages people to do business with authorised financial services firms."

Consumers who believe they may have a claim should contact the Scheme on 020 7892 7300.

A list of the 39 investment firms is attached. Full address details are available from FSCS's website at [www.fscs.org.uk](http://www.fscs.org.uk).

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).

**See Notes to Editors for more information about FSCS.**

**Press Enquiries:**

Suzette Browne: 020 7892 7372 [Suzette.Browne@fscs.org.uk](mailto:Suzette.Browne@fscs.org.uk)

Heather Tilston: 020 7892 7370 [H.Tilston@fscs.org.uk](mailto:H.Tilston@fscs.org.uk)

**Telephone:** 020 7892 7300

**Website:** [www.fscs.org.uk](http://www.fscs.org.uk)

## **Notes to Editors:**

### **1. About FSCS**

The Financial Services Compensation Scheme (FSCS) is the UK's statutory fund of last resort for customers of authorised financial services firms. This means that FSCS can pay compensation if a firm is unable, or likely to be unable, to pay claims against it. FSCS is an independent body, set up under the Financial Services and Markets Act 2000 (FSMA). Our service is free to consumers.

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

On receiving a potential claim against a firm, FSCS will start an investigation into that firm's solvency. The Scheme will declare a firm in default if:

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

We are required to do this before we can pay 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 to us for compensation.

### **3. Authorised firms**

Our 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 tell us 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 investments. Regulation provides access to the Financial Ombudsman Service and FSCS.

Consumers can check that the firm they are dealing with is authorised by contacting the FSA's Consumer Helpline on 0845 606 1234.

### **4. Fund of last resort**

As a fund of last resort, FSCS can only pay compensation to consumers who have lost money, and where a firm is unable to meet their claim. For investment claims compensation aims to put consumers back into the position they would have been in had they not invested.

### **5. When FSCS can help**

The kinds of investment claims FSCS handles usually relate to advice – for example, if somebody has been advised to buy an investment product such as an endowment policy or precipice bond, but it was unsuitable for them and they have lost money. FSCS can pay compensation for financial loss arising from, for example, bad advice, negligent investment management, and fraud, where the firm is unable to pay claims against it. FSCS can also help if an authorised investment firm stops trading and cannot return its customers' investments or money.

## **Declarations by FSCS**

10 January 2006

### East

**Ashwyn-Cavill Financial Services Limited previously known as Ashwyn-Cavill Associates (Life and Pensions) Limited, formerly known as Ashwyn-Cavill Associates (Southern) Limited, Norwich, NR3 1RN**

**M H Dinsdale (Financial & Investment Services) Limited, Ipswich, IP9 2EB**

**Ormiston (Life and Pensions) Limited, previously Ormiston (Life and Pension Brokers) Limited, Luton, LU1 2DW**

**T S Financial Services Limited, Huntingdon, PE18 6AQ**

### Midlands

**B P Financial Services Limited, Compton, WV6 8WX**

**Cranwell Insurance and Investment Services Limited, Sleaford, NG34 7TW**

**David Meredith Insurance Services Limited (formerly H E Cox Limited), Shrewsbury, SY3 7DN**

**Mr John Packwood (Deceased) trading as John Packwood Esq, Melton Mowbray, LE13 1XJ**

**Malcolm Pearson (Independent Financial Adviser) Limited, Cannock, WS11 1NL**

**Wilson Smith Howkins Limited, Northants, NN8 1AY**

North

**Border Life Insurance Brokers Limited trading as Independent Financial Advice Centre,**  
Carlisle, CA1 2BS

**Mr D Lomas and Mr C McDonnell formerly trading as Lombury Associates,** Manchester,  
M25 5AF

Scotland

**Alan Colley Insurance Brokers Limited formerly Circlescene Ltd and Garden Haig  
Colley Insurance Brokers Ltd, and subsequently Haddington 1995 Ltd,** Haddington,  
EH41 3EX

**Dinnington Limited formerly trading as Aberdeen Estate Agency,** Aberdeen, AB1 1XT

South East (including London)

**Anthony Fitt & Financial Matters Advisers Limited trading as Financial Matters  
(Formerly Financial Matters Investment Management),** Worthing, BN13 2LL

**Anthony Knight Associates Limited (In Liquidation),** Saffron Walden, CB11 3RN

**Caretaker Consultants Limited also trading as Charlton Insurance Brokers,** Charlton,  
SE7 7AG

**CCLA Limited formerly trading as CCL Assurance Limited,** London, EC4M 7BA

**Draycott Financial Services Limited,** London, SW3 2AP

**Expandneed Limited trading as Martin Kemp Financial Services, in Aylesbury,**  
Aylesbury, HP20 2HU

**Harley White Financial Services Limited (In Liquidation),** Ealing, HA4 6TS

**Macartney & Dowie Investment Management Plc,** Romford, RM7 7HL

**Marian Joseph Markovic trading as Charterhouse Enterprises,** Chiswick, W4 1EN

**P Curran Limited,** Hampshire, PO16 0HP

**Peter Allinson formerly trading as Patterson James & Company**, London, EC1N 6TE

**Philip Silvester Financial Services Limited subsequently trading as Silvesters**, Woking,  
GU21 4SZ

**Professional Benefits Limited**, Orpington, BR6 0LW

**Quadrant Insurance Group Limited, formerly Quadrant Insurance Brokers Limited & previously Jacques, Norman & Co Limited**, Stanmore, HA7 3HA

**Rholee Limited formerly Sceptre Insurance Services Ltd**, Buckinghamshire, HP27 0AA

**Roger & Barbara Gillett trading as Monaco Mortgage Life & Pensions**, Farnborough,  
GU14 0EN

**World Premiere Financial Services Limited**, London, W1R 3PA

#### South West

**TRG Limited (In Liquidation) formerly trading as The Richmond Group**, Bristol, BS35  
2AP

**Broadstone IFA Limited**, Devon, EX1 1QA

#### Wales

**Ethical Financial Limited previously Ethical Financial Services Limited**, Cardiff, CF10  
5FN

#### Yorkshire and Humberside

**J W Kitching (Insurance) Limited**, Horsforth, LS18 4DF

**Variously, R S Pink, K Chalk, R J Garner, S P Dilks, K Lyle, R H Pink, S P English trading as Roy Pink & Company**, Rotherham, S60 2AG

**Vincent Ragona (Life and Pensions) Limited**, Queensbury, BD13 2PE

**West Yorkshire Insurance Brokers (Life and Pensions) Limited formerly Findvisual Limited**, Huddersfield, HD1 5JW

**Wilkinson Rodgers (Life & Pensions Consultants) Limited**, Huddersfield, HD1 4EL