

1 IVA TERMS & CONDITIONS

The terms of this agreement are set out in the following terms and conditions. These are important. You should read them carefully to make sure you're happy with them.

If there is anything you do not understand you should seek advice.

1.1 Definition of Terms

- 1.1.1 'You' - means the person or people whose names are listed in the Client Authority, entering this legal arrangement.
- 'We and Us' means Curtis Faraday Limited - Registered Office: 1st Floor, 7 Park Street, Manchester M3 1EU. Authorised and regulated by the Financial Conduct Authority 662089. Data Protection Registration Number Z1395326. (Or anyone to whom We transfer our rights and obligations to whilst party to this agreement).
- Legal Arrangement - A legally binding arrangement between You and your Creditors.
- 'Creditors' means all the organisations or people, or both; You have told Us You owe money to and who are referred to in the documentation.
- 'Disposable income' means the amount of money You have available to repay to your creditors each month having taken account of your income, your reasonable living expenses and any other necessary financial commitments, including payments to secured creditors. This is calculated from the financial information that You provided to Us in the application process.
- Financial Statement - Details of your incomings and outgoings, dependants and creditors.
- 'Insolvency Practitioner' means the licensed insolvency practitioner.
- 'IVA Advisory Service Fee' means the amount You will pay to Us in order for Us to provide the IVA Advisory Service. This is equivalent to one months disposable income and is calculated from the financial information that You provided to Us in the application process. It will be used to cover our costs in assessing and analysing your financial position in order to advise on the most appropriate option to deal with your particular situation. The IVA Advisory Service Fee is retained by Us and will not be allocated towards your IVA or paid to your creditors.
- 'IVA Advisory Service' means the services We provide to You in connection with your debt.

1.2 Agreement

- 1.2.1 You have asked Us and We have agreed to introduce You to an Insolvency Practitioner.
- 1.2.2 This Agreement will start once You confirm your acceptance of these terms by returning the signed Client Authority Form.
- 1.2.3 We do not have to provide the IVA Advisory Service to You unless; You have signed and returned a copy of the Client Authority Form; required supporting documentation; and paid the IVA Advisory Service Fee.

1.3 Your Responsibilities

- 1.3.1 You will provide to Us on request information relating to your finances. This will include but will not be limited to details of your income and expenditure, your Creditor information and any agreements You have with them, any loans or mortgages You have, your dependants and any judgements made against You or any other enforcement action being taken against You.
- 1.3.2 You will sign any necessary forms of authority or any other documents so that We may negotiate with your Creditors on your behalf.
- 1.3.3 You will send originals or copies of all correspondence from your Creditors to Us and keep Us informed of any dealings You have with any Creditors, whether We are negotiating with them or not. Once the Legal arrangement has been agreed, You will not make any expenditure over and above your reasonable living expenses as calculated in the Financial Statement. You will not use your credit cards nor incur further debts.
- 1.3.4 You will agree to supply any further information that is fundamental to the establishment of the arrangement and is reasonably required. Failure to supply such information or the supply of false or fraudulent information will result in the arrangement being rejected and the termination of this agreement. If the agreement is terminated under these circumstances You will be responsible for all reasonable costs incurred by Us and our preferred Insolvency Practitioner.
- 1.3.5 You accept that the IVA Advisory Service Fee will be retained by Us and will be in addition to any payments You may be required to make towards your IVA (which will be notified to You in writing by the insolvency practitioner, prior to your creditors meeting being arranged and will be detailed in your Proposal). Because the IVA Advisory Service Fee is retained by Us, You accept that, unless You continue to make payments to your creditors, prior to your IVA being accepted by your creditors, that You may fall behind (or further behind) with your creditors. Unless Your creditors agree to reduce or freeze interest and other charges, this will lead to an increase in the total amount owed. You acknowledge that whilst We will refer You to an Insolvency Practitioner, in an IVA, creditors that hold at least 75% of the debt by value must agree to the terms of an IVA before it is accepted. Only unsecured debts within the IVA may be written off at the end of the period and that those not included will remain outstanding.
- 1.3.6 If You are a homeowner You may be required to re-mortgage your property in the final year of your IVA, if an equity release is requested for the creditors benefit. A re-mortgage may attract a higher interest rate. Where the homeowner is unable to re-mortgage the IVA can be extended for up to 12 months. An IVA is a legally binding agreement and failure to comply with the terms of the IVA will lead to You being liable for the costs and balance of the debt and may also lead to Bankruptcy. The IVA will be visible on your credit file and stays on your credit report for 6 years from the date the IVA began.
- 1.3.7 Based solely on the initial information You have provided to Us, We will calculate the estimated monthly contribution You will be expected to pay towards your IVA. This figure may change if You later provide Us or the insolvency practitioner with more detailed information about your financial circumstances which affects the accuracy of information You have already provided to Us and / or following agreement with the insolvency practitioner. You acknowledge that the provision of materially inaccurate or misleading information may lead to your IVA Proposal being rejected.

1.4 Our Responsibilities - We Will

- 1.4.1 We will assemble all of the information You provide into a financial review and determine the most appropriate solution for your particular needs. There are restrictions on what expenditure is Usually permitted when You are on an IVA. We will discuss all the relevant options with You and deal with any concerns You may have regarding the IVA process. We will then introduce your case to a licensed insolvency practitioner of our choice. Once introduced to the insolvency practitioner, your case will be progressed by him/her and he/she will liaise with You and your creditors as relevant in order to prepare your IVA proposal.
- 1.4.2 We will ask You to pass to Us (or to any person/company/ insolvency practitioner that We nominate) copies of all correspondence You have received from your creditors and to let Us know about any dealings You may have with these creditors. Using this information, your insolvency practitioner will work on your behalf.
- 1.4.3 Your creditors may not approve the IVA. If, for whatever reason, You do not enter into an Individual Voluntary Arrangement, We may refer other services to You.

1.5 Our responsibilities – We Will Not

- 1.5.1 We will not lend You any further monies or offer credit facilities.
- 1.5.2 We will not be able to assist on secured debts such as secured loans, mortgages, hire purchase plus any other similar debts.
- 1.5.3 We will not give You legal advice.
- 1.5.4 We do not issue payments to your creditors as part of the IVA Advisory Service.
- 1.5.5 We do not give You advice on how to, or contact your creditors in order to: restructure your debts; or change your debt repayments; or settle your debts early.

1.6 What if I change my mind after I have signed the Client Authority Form?

- 1.6.1 Under the Financial Services (Distance Marketing) Regulations 2004, You have a 'cooling-off' period. During the period of 14 working days beginning on the day after We receive your signed Client Authority Form, You may cancel the IVA Advisory Service by sending written notice to Curtis Faraday Ltd., 1st Floor, 7 Park Street, Manchester M3 1EU. or by Faxing Us on 0161 832 6598. This agreement will then be at an end and We will refund You in full, all monies which You have paid Us and which have cleared through our bank account (IVA Advisory Service Fee). Please note We are unable to accept verbal cancellation instructions and We will only accept signed written notification from You.
- 1.6.2 You may also end this agreement at any time and for any reason, by giving Us two weeks written notice as per the details given in 1.6.1. If You provide Us with written notice to cancel outside of the 'cooling-off' period this agreement will then be at an end. However, We will be entitled to retain in full the IVA Advisory Service Fee, which You have paid and which has cleared through our bank account.

1.7 Fees and costs

Your attention is specifically drawn to this clause 1.7. At any time following expiration of the 14 day 'cooling-off' period and in the event You have not, during the cooling-off period, notified Us in writing of your intention to terminate this agreement with Us, if for any reason your IVA does not proceed whether by termination of this agreement or otherwise, We shall be entitled to retain in full the IVA Advisory Service Fee.

1.8 Termination of agreement

- 1.8.1 Subject to clause 1.6.1 and 1.6.2, this agreement may be terminated by You or Us at any time by giving two weeks written notice. Furthermore, We may terminate this agreement with immediate effect in the event of the following.
- 1.8.2 We may end this agreement by giving You four weeks notice in writing if any one of the following things happens:
 - (i) - You breach this agreement and do not remedy the breach within seven days of our bringing the breach to your attention;
 - (ii) - A bankruptcy petition is issued against You;
 - (iii) - Where the information provided to Us is knowingly incorrect or misleading;
 - (iv) - The information provided by You at the time of acquiring a loan (HP agreement, credit cards or any other form of credit) is deemed incorrect or fraudulent by any creditor; or
 - (v) - If We are affected by Force Majeure.
- 1.8.3 Upon Termination of the Agreement, You will still be liable for any amounts outstanding that is owed to your creditors over and above the payments made to them during the Arrangement.

1.9 Other information

- 1.9.1 When You apply for our IVA Advisory Service, You will provide Us with information about your financial and personal circumstances ("Personal Information"). Any information You give to Us will be confidential. This Personal Information will only be passed on to your creditors, your insolvency practitioner and such third parties as are required to know it for the purposes of performing our obligations under this agreement. We will not pass this information to anyone else without your express permission except in accordance with our data protection statement.
- 1.9.2 If at any time You are not happy with the IVA Advisory Service that We have given You, in the first instance, please telephone Us in order to explain your concerns. If You want to write to Us, please send your concerns to: Curtis Faraday Ltd, 1st Floor, 7 Park Street, Manchester M3 1EU. You can also refer your complaint to the Financial Ombudsman Service (FOS), South Quay Plaza, 183 Marsh Wall, London, E14 9SR or visit the Website <http://www.financial-ombudsman.org.uk> or email complaint.info@financial-ombudsman.org.uk Please note that should You have any issues relating to the work that the insolvency practitioner undertakes, You should refer this direct to the insolvency practitioner.