

The agreement is made between you and us and is made on the following terms.

1. DEFINITION OF TERMS

- “You” our client
- “Us” Moneysolve of Astute House, Wilmslow Rd, Handforth, SK9 3HP.
- “Creditors” These are your unsecured creditors
- “Debt Management Programme” (DMP)
An informal repayment plan produced by us for the management of your debts.
- “Period” The time during which the debt management programme is in operation.
- “Individual Voluntary Arrangement” (IVA)
A legal scheme to settle your debts which must be administered by an insolvency practitioner
- “Protected Trust Deed” (PTD)
A legal scheme to settle your debts if you are a resident in Scotland. It must be administered by an Insolvency Practitioner.
- “Fees” or “Costs” Our charges payable by you under this agreement
- “Set up Fee” What we charge you for setting up a DMP with your creditors.
- “Management Fee” What we charge you for collecting and distributing payment to your creditors each month.
- “Monthly Payment” The amount of your monthly surplus disposable income to be offered to your creditors.
- “Commencement date” The date you return the terms of business to us.

2. THE AGREEMENT

We will provide you with debt advice in accordance with the terms and conditions in this contract. You authorise us to provide them with any necessary information and negotiate with your creditors on your behalf. The agreement will continue until all of your debts have been paid off in full or until the agreement is terminated by you or us.

3. YOUR RESPONSIBILITIES TO US

For the duration of the arrangement:

- 3.1 You will provide us with full details relating to your finances including a full list of your creditors including HP and secured creditors; a current income and expenditure schedule; a list of any assets that you own; details of any legal proceedings which have been commenced against you by your creditors.
- 3.2 You will provide us with a signed form of authority to give us permission to negotiate with your creditors on your behalf.
- 3.3 Once a debt management programme has been arranged you will provide us with copy letters from your creditors and keep us informed of any dealings you may have directly with your creditors.
- 3.4 To keep us informed of any changes in your financial circumstances.
- 3.5 To assist us in obtaining information which some creditors refuse to provide to us directly.
- 3.6 To respond promptly to requests for information and documentation from us.
- 3.7 Make payments into your debt management programme on time and on a regular basis.

4. OUR RESPONSIBILITIES TO YOU

For the duration of the agreement:

- 4.1 We will provide you with advice in relation to your debts. We may recommend one or more courses of action as being the best solution(s) for you.
- 4.2 To enable us to do this we will undertake an initial review and assessment of your financial position to include all your assets and liabilities and your income and expenditure. We will ascertain your monthly surplus income.
- 4.3 If we recommend a DMP we will
 - a) Negotiate with your creditors on your behalf to see if they will agree to reduce payments based upon your surplus disposable income.

- b) You will then need to make a regular payment to us (usually on a weekly or monthly basis) representing your disposable income and we will pay to your creditors an agreed amount from this money.
- c) We will ask your creditors to freeze interest and charges and late payment charges on your behalf.
- d) We will issue a full breakdown of payments made to your creditors on a monthly basis.
- e) Advise your creditors of any changes in your circumstances and alter the debt management program if appropriate.
- f) Any payment you make to us will be deposited into the company client account. Such sums will remain on the account until payment is made to creditors. No interest will be payable to you on these funds.

4.4 If our initial review of your circumstances indicates that IVA (or PTD if you live in Scotland) may be the best solution we will need to undertake a full assessment of your circumstances and will need full documentation in relation to your creditors, assets and income.

4.5 If our initial review of your circumstances indicates that you should consider bankruptcy as an option we will fully investigate your circumstances to ensure that this is the case and then advise you accordingly.

4.6 If you are able to raise a lump sum, or have a lump sum of money available for the repayment of your debts we may advise making one off offers of settlement to your creditors to clear your debts. We will assist you with this.

5. OUR FEES

Debt Management Costs & Fees

5.1 A sum equal to two monthly payments is retained by us in payment of the set up fee.

5.2 In addition to this our management fees will be deducted from each subsequent payment that you make under the debt management programme. This will be £25 or 17.5% of that payment whichever is the higher.

IVA / PTD Costs & Fees

5.3 The costs that we incur in assessing your situation and giving you general advice in relation to an IVA or PTD are substantial. We will however restrict these costs to a maximum of 3 monthly payments. In the event of your IVA or PTD not being approved by your creditors, the payments you have made on account will be used as part payment of the costs incurred in collating the information and advising you in relation to the IVA / PTD. We will not pursue you for any outstanding balance. For the avoidance of doubt you would not be entitled to a refund of those sums. If we advise you to undertake a lump sum IVA our costs shall be 5% of the sum that you have available or can obtain.

Lump sum settlement Fee

5.4 Our fee for arranging such a settlement will be 25% of the reduction that we are able to negotiate on your behalf with your creditors.

6. WHAT HAPPENS IF YOU STOP PAYING US OR IF YOU DO NOT ADHERE TO THE TERMS OF THIS AGREEMENT?

6.1 Non-payment and/or failure to respond to letters from us may result in us cancelling the agreement.

6.2 We will suspend payments to your creditors and we will advise them that payments are not being made by you and that we are without instructions. We will suggest to your creditors that they liaise directly with you in future. Your creditors may well commence legal proceedings against you for failure to maintain payments under any debt management programme and reinstate contractual interest and charges to your account.

7. CANCELLING THIS AGREEMENT

You can cancel this agreement at any time during the first 14 days from the date of commencement of this agreement. You can do this by writing to us. We will refund the sum you have paid to us.

8. TERMINATION OF THE AGREEMENT

8.1 We may terminate the agreement on giving seven days written notice where :

- (i) You have knowingly provided us with incorrect or misleading information.
- (ii) If we have been affected by force majeure i.e. an unexpected event.
- (iii) If you stop your payments to us. We will refund any undistributed funds to you less our charges.
- (iv) The company reserves the right to terminate this agreement at any time giving seven days notice at its own discretion.
- (v) You breach your responsibilities to us as set out in paragraph 3 above.

8.2 We reserve the right to terminate this agreement at any time giving seven days notice at our own discretion.

8.3 You may terminate this agreement by giving seven days written notice. You would not be entitled to a refund of the set up costs you have paid to us. If we are holding any funds that are due for distribution to your creditors that have not been distributed then providing you notify us within 7 days of the distribution date those funds can be refunded to you.

9. OTHER IMPORTANT INFORMATION

9.1 We cannot guarantee that your creditors will agree to freeze interest or stop legal action even if you are on an agreed DMP. There is no legal requirement for your creditors to freeze interest and charges. We have no control over whether the creditors will freeze interest and charges. All we can do is ask that they do so.

9.2 We can however help you if you have ongoing problems with your creditors.

10. COMPLAINTS

We hope you will be very happy with the service you receive from us. If you are not, please report your complaint to us in the first instance orally. A copy of our complaints procedure is available on request and is set out in the client care booklet.