

Icesave FAQs

28 November 2008

1. How can I claim back my savings?

FSCS has put in place an automated system that will pay retail deposits to the linked accounts used to open and operate the Icesave accounts. This will be done through the Icesave UK website using individuals' existing logins. Last week customers began receiving initial correspondence from FSCS about how the electronic payment system will work. We have now started emailing each depositor separately inviting them to log on and make their claim for compensation.

2. Do I have to fill in any paperwork?

We are using an electronic payment system for most depositors and if you are one of these you will not need to fill in a paper application form. The online system will guide you through the process on a step-by-step basis. We have designed it to be as simple as possible and it is to be hosted on the Icesave website.

UK Icesave customers who opt not to use the accelerated payout process will still be able to claim compensation using a paper-based application process although this will take longer. The same process will also be used for anyone who does not have a nominated account which is necessary for the accelerated process, although FSCS believes that this may only apply to a minority of UK depositors.

3. Do I need to set up a direct debit from my nominated bank account to my Icesave account to receive compensation?

There appears to be a misunderstanding regarding the need for a direct debit to complete the compensation payment from FSCS. There is no need for Icesave customers to have direct debits set up from their nominated account to their Icesave account to receive this compensation. The compensation will be paid into the nominated account in the same way that any other credit would be. The second email gives instructions to Icesave customers of what to do and setting up a direct debit to complete the process is not necessary.

Once Icesave customers have received their second email they will be able to follow the instructions, log on to their existing Icesave accounts in the normal way and complete a short electronic process allowing them to receive their compensation by BACS.

4. Will there be a separate process for consumers claiming money from both FSCS and the Treasury?

HM Treasury has guaranteed 100% of all UK retail depositors in Icesave, in addition to the amount protected by FSCS. FSCS will administer the payments on its own behalf and on behalf of HM Treasury using the electronic payment process. You do not have to apply separately to HM Treasury or the Icelandic fund. We are providing a single integrated process for consumers.

5. How will FSCS decide who can claim when?

The electronic payment system started on 8 November 2008. We are phasing the process as we said and plan to pay the vast majority of depositors during November.

6. Why are you phasing the process? Why can't I just access my money now?

Our top priority is to get your money to you quickly and securely using the simplest possible system and one with which, as an internet user, you will be familiar. We are phasing the process for security reasons, to manage the flow of payments and to make sure that the website is operating at a safe capacity. The last of these will help to avoid any possible delays for consumers that could result from overloading the system.

7. Will all savers have their money back before Christmas?

We plan to offer compensation to the vast majority of depositors during November.

8. I haven't received the first email from FSCS. What should I do?

Anyone who has not yet received the first email should contact us using a special email address set up for this purpose. Please email us, using the email address used for your Icesave account, at Icesave@fscs.org.uk, putting the word "REQUEST" in the subject line. You do not need to write anything else and you do not need to provide any additional information. This will generate an automated response from us which contains the first email.

This response may take longer for some people depending on your internet service provider's spam filters. Please acknowledge your copy of the first email by sending a response with the word "CONFIRM" in the subject line to confirm you have received it. This is very important because it will allow us to double check your email address on the system.

The fact that you have not yet received your e-mail does not necessarily mean that you will not be able to participate in the automated process.

9. I still haven't received my first email from FSCS even though I have adjusted my spam filters and sent a blank email back to the specified Icesave email address icesave@fscs.org.uk. What should I do?

Most Icesave customers have had their first email and the second emails have also started to go out. The second emails will be sent in batches over the rest of this month.

FSCS shares the concerns of the minority of Icesave customers who did not receive their first email and has been looking at ways of addressing the issue.

FSCS has been in discussions with a number of internet service providers (ISPs) and they have responded positively to our approach. Several have now made changes that should allow their customers to receive Icesave emails from FSCS. This means that their customers who did not receive the first email should now be able to email icesave@fscs.org.uk for their own copy and to respond to us (please see above for details).

Recognising that this may not resolve the position for every individual, FSCS is carrying out further work to consider alternative ways of allowing anyone who still experiences problems to access the electronic process. We will post further updates on our website at www.fscs.org.uk/consumer on a regular basis.

10. When will I receive the second email from FSCS?

The second email correspondence from FSCS has already started to be sent out and some compensation payments have already gone through. We are phasing the process and plan to offer compensation to the vast majority of depositors during November.

11. In what order will the emails be batched?

There is no fixed order in which the invitation emails will be sent out. We expect to offer compensation to the vast majority of Icesave customers in November. If you receive the first email but not the second by 4 December 2008, you should call our customer helpline on 0845 7300 131 (Icesave enquiries only).

12. I had two accounts and only received an email for one, what do I do?

When you receive your email inviting you to log in and make your claim, you will be able to make your claim for all accounts held in your name.

13. The account to which I am transferring the money from Icesave needs a card reader to operate it on the internet. I don't have one; will I need to get one?

The transfer will be done from your Icesave account. You simply need to log on to your Icesave account in the normal way. As Icesave accounts don't use card readers you will not need to use one.

14. My spouse and I both had accounts with Icesave, but we used the same email address. How will we know which of us is able to log on and claim when we receive the second email?

If more than one person used the same email address as the registered email address for their Icesave accounts, there will be no way of telling which person is now able to access their funds other than by each person logging on and trying to initiate their claim. If your account has not been re-activated, then you will get a message telling you to wait for the second email.

15. What happens if I cannot log in after receiving your email inviting me to log on and claim compensation?

You have one month to make a claim online from the date of our email inviting you to log on and claim compensation. Please try again on the same day or on another day shortly afterwards. If you are still having problems, you will find additional information on this issue in the correspondence that we send you. This will provide a contact point for help.

16. I now have a different nominated bank account. Could the existing details be changed?

If you advised Icesave of the change and your instruction was received prior to 7th October 2008, your request will have been processed and you should have received written confirmation of the change of details. When you receive your invitation email, please log on and check the nominated account details are correct. If they are not correct, please do not attempt to process your claim online. You will be contacted in due course to make a claim under the manual process.

17. I have forgotten all of my details, what can I do?

You can either contact Icesave's customer services helpline on 0845 605 6050 or you can go through the manual process.

18. I have been having ongoing system problems and can't access my account. What should I do?

If you are unable to action your claim online you will be contacted in due course to claim manually. Or you can contact Icesave's customer services helpline on 0845 605 6050.

19. I've forgotten my user-id / password / memorable details. What should I do?

You can either contact Icesave's customer services helpline on 0845 605 6050 or you can go through the manual process.

20. What happens if the online system for transferring Icesave funds does not appear to be running smoothly whilst I'm in the middle of making my claim online?

If you encounter system problems whilst making your claim online, you may need to log in again to complete the transaction. If you have been able to press "confirm" at the end of the process, then the transaction should go through. Once the transaction is successfully completed, you will receive an email from us, for each of your accounts, confirming that we have received your instructions. These confirmation emails can take up to 12 hours to arrive. If you are still not sure whether you have successfully completed the transaction, you can contact Icesave's customer services helpline on 0845 605 6050.

21. How long do I have to complete the electronic process after hearing from the FSCS?

You will have one month to make your claim online from the date of our email inviting you to log on and claim for compensation, but we ask you to access the process as soon as possible after you have received your second email from us, to enable us to phase access to the system for others.

22. What happens if I do not log on and make my claim within one month?

You will still be able to claim but unfortunately you might have to fill in a paper application form. This will take longer to process. We aim to process claims through the paper-based route so far as possible within 6 weeks of receipt of a completed application form. We will contact those who do not log on to complete a payment through this electronic process and arrange for an application form to be sent to them.

23. How long will it take for my money to be transferred from Icesave to my bank account?

The electronic payment system is operational. We expect to pay the vast majority of eligible depositors in November. The electronic payment system will use BACS and take up to five working days from the point you complete the online process. BACS is the UK's scheme for the electronic processing of financial transactions and stands for Bankers' Automated Clearing Services.

24. Can I check my account balance online when I make my claim?

The accurate account balance, with interest (up to and including 7 October 2008); will be reflected on your account when you log on to claim compensation. The accounts were updated on the 10th, as that is when the reconciliation of Landsbanki bank took place, but the balance shown includes funds and interest up to 7 October 2008.

25. What about interest on my account?

FSCS calculates claims (including interest) to the date of default (the end of the 7th October 2008 for Landsbanki - Icesave is the UK branch of the Icelandic bank Landsbanki). We will provide more detailed information on this when we write to you.

26. Will I get all of my money back at once, or will this be in installments?

You will receive your funds in one installment for each account you hold with Icesave. If you had more than one account you will receive one payment for each account.

27. My account shows interest up until the 10th, why when FSCS states that the interest will only be paid up until the 7th?

The interest in the accounts has been calculated up to and including 7 October 2008. However, the accounts were updated on the 10th, as that is when the reconciliation of Landsbanki bank took place. Bank reconciliation is the process of matching and comparing figures from accounting records against those presented on a bank statement. Using the electronic process to claim compensation, the accounts reflect interest up to and including 7 October 2008. The balance shown is up to 7 October 2008. Those with fixed rate savings accounts will be able to opt to receive the principal amount of your deposit, together with accrued interest up to the maturity date, at the end of the fixed term.

If you hold a fixed rate savings account that pays interest on a monthly, quarterly, or annual basis, and you decide to hold that account until maturity, you will not be paid any interest prior to maturity. All interest will be paid after maturity.

If your contact details change, please inform FSCS.

28. I had more than £50,000 in my account. Will I lose any money beyond the FSCS limit?

HM Treasury has guaranteed 100% of all retail UK deposits in Icesave beyond the FSCS limit of £50,000.

29. When I try to initiate my claim, it asks me to enter the "payment amount". What should I enter?

When you log on to initiate your claim, you will see that the full amount of your capital plus accrued interest up to and including 7 October 2008 is shown on the system, under the description "Account balance". This is the amount you need to enter as the payment amount. You do not need to enter a pound sign (£) in front of the amount. So, for example, if, when you log on, the system shows that your account balance at 7 October 2008, including interest, is £1,000, you should enter "1000.00". If you enter a pound sign (£) in front of the amount, the system will not let you proceed with your claim. If you have done this by mistake, you will need to try again, this time without the pound sign (£).

30. What happens if the amount shown in my account is lower than what I expected it to be?

If you do not agree with the amount FSCS has calculated please do not proceed with the online process, as completing the online process means you are accepting the compensation offered and FSCS's terms and conditions. If you disagree with the amount of compensation offered, you can write to us explaining why and providing evidence in support of your position. We will then review your case.

31. You have a substantial amount of money belonging to me in your holding account which you have had prior to 7 October 2008. Why can't this be applied to my account so that I can withdraw it electronically?

If you have any queries about the balance on your account, you can either contact Icesave's customer services helpline on 0845 605 6050 or you can go through the manual process.

32. I sent in funds some time ago to open an account with Icesave. When will I receive my money back and will I get interest paid?

You can contact the Icesave's customer services helpline on 0845 605 6050. If you are owed compensation but do not have a nominated link account, you will need to go through the manual process.

33. Will I lose the tax status on my ISA?

The money you held in your ISA will not lose its tax-free status if you follow this process. An ISA certificate will follow by post to allow you to reinvest that sum in an ISA with another provider by 5 April 2009. You should receive your ISA certificate within 2 weeks of claiming compensation using the electronic process and you will have to give this certificate to your new ISA provider when you open your ISA with them. You should ask for an ISA transfer form from your new ISA provider.

34. Can I subscribe additional funds to my ISA once I've reinstated it with a new ISA Provider?

Yes, subject to the usual subscription limits for the current tax year (£3600 for cash ISAs, £7200 for stocks and shares ISAs). So, for example, if you subscribed £2000 to your Icesave cash ISA in 2008/09, you could subscribe a further £1600 to your reinstated cash ISA before 5 April 2009.

35. Must I reinvest the compensation I receive for my cash ISA into another cash ISA or, can I choose a stock and shares ISA?

All Icesave ISAs were cash ISAs. From 2008/09, individuals are able to transfer money saved in previous and current tax years from cash ISAs into stocks and shares ISAs. Therefore stocks and shares ISA managers can accept transfers from customers who have received compensation in respect of Icesave cash ISAs.

However it is up to each ISA manager whether or not they will accept transfers from customers of Icesave under these arrangements.

36. I have now received my ISA payout from the FSCS, but am unsure as to whether or not I can move it from my linked account it was transferred to, to an interest paying savings account for a short period until I receive the certificate confirming the ISA status. I do not want to lose the ISA status by moving it twice.

If you wish, you can transfer your ISA payout to an alternative account whilst you wait to receive your ISA certificate. This will not affect the tax free status of your ISA.

37. If I choose to keep my fixed rate savings account until maturity, what will happen?

We will process your claim through the manual paper-based process so far as possible within 6 weeks of receipt of a completed application form. Once this process is complete, you will receive payment following the maturity date of the account. You should also be aware that if you hold a fixed rate savings account that pays interest on a monthly, quarterly, or annual basis, and you decide to hold that account until maturity, you will not be paid any interest prior to maturity.

If your contact details change, please inform FSCS.

38. I am a fixed rate account holder who has decided to wait until the end of the fixed term, and receive the interest up to maturity along with my principal amount. However, when I log in to my Icesave account the interest up to maturity has not yet been added. I am concerned that if I accept the amount currently showing in my account, I will not receive all my interest.

If you log in to your Icesave account and opt to wait until the end of the fixed term and receive the interest which would have been due at maturity, this will be calculated in accordance with the terms and conditions of the account and the correct amount will be paid to you after maturity, rather than the amount currently showing in your Icesave account, which only includes interest up to and including 7 October 2008. Please note that once you have submitted your claim using the electronic process, you will no longer be able to access your Icesave account.

39. If I choose to keep my fixed rate savings account, can I still have my interest paid monthly?

If you hold a fixed rate savings account that pays interest on a monthly, quarterly, or annual basis, and you decide to hold that account until maturity, you will not be paid any interest prior to maturity. All interest will be paid after maturity.

If your contact details change, please inform FSCS.

40. If I decide to keep my Fixed Rate Savings Account open, will I need to make my paper application now or just before my account would normally mature?

If you prefer to wait until the end of the fixed term, and receive interest which would have been due at maturity, the electronic process option is not available to you. However, you should still log on to the website and tick the appropriate box to confirm that this is your wish. At that time, we will be notified that you wish to wait until the end of the fixed term and we will then send you an application form to complete and return to the FSCS as soon as possible. This process will be slower, although we aim to complete this process so far as possible within 6 weeks of receipt of a completed application form, with payment following the maturity date of the account. You should also be aware that if you hold a fixed rate savings account that pays interest on a monthly, quarterly, or annual basis, and you decide to hold that account until maturity, you will not be paid any interest prior to maturity.

41. Why have 16,000 people been sent application forms?

FSCS has sent out just under 16,000 application forms to UK Icesave customers who were unable to use the accelerated electronic process set up by FSCS. The majority of those customers did not have a nominated account. FSCS is no longer able to accept updates or changes to nominated accounts whilst we go through the payout process. Individual applications have been sent out with a unique barcode to enable the FSCS to identify the form easily. UK Icesave customers who are sent an application form should complete it and send the form back in the pre-paid envelope to the address at the bottom of the application form.

42. If I go through the paper process how long will this take?

We aim to complete this process so far as possible within 6 weeks of receipt of a completed application form.

43. If I claim under the manual process my claim will take longer, will I be compensated for interest I could have earned if I had been able to complete the electronic process?

No. Interest will be paid up until the date of default i.e. up to and including 7 October 2008. The only exception will be for those who elect to be paid for fixed term accounts after maturity, whose interest, due at the date of maturity, will also be paid.

44. Can I have the money paid to someone else if I wait for the paper process?

No, we will only make payment to a named holder on the account.

45. I'm in a marital dispute and the funds should be split. Can I stop the electronic process?

Please contact Icesave's customer services helpline on 0845 605 6050 and they will place a stop on the funds remaining in your account. You will then need to claim under the manual process.

46. My partner and I have recently split up. We have a joint Icesave account. The email address is not mine and the nominated bank account is my partner's single bank account. How can you make sure my partner does not receive all of the money in our joint account?

Please contact Icesave's customer services helpline on 0845 605 6050 and they will place a stop on the funds remaining in your account. You will then need to claim under the manual process. We will also ask your partner to do the same.

47. The 'Terms of my compensation' I have to accept state that my rights, claims and entitlements are automatically assigned to FSCS. What does that mean in terms of my compensation, could that get transferred to FSCS as well?

The terms of your compensation refer to your rights against Landsbanki, the Icelandic Depositors' and Investors' Guarantee Fund (DIGF) and any other relevant party in relation to your Icesave deposit(s). By agreeing to accept compensation, you are agreeing to transfer these rights to FSCS. What this means is that by accepting compensation from FSCS your power to make any claim against or sue any of the above parties for damages or any further entitlements is passed to FSCS. This gives FSCS the power to 'stand in your shoes' to sue for, or pursue, any potential recoveries against Landsbanki, the Icelandic Depositors' and Investors' Guarantee Fund (DIGF) and any other relevant party in relation to your Icesave deposit(s). FSCS will seek to recover the amount of compensation paid to you by FSCS, including amounts for HM Treasury.

48. I want to complain about the process, where do I write to?

You can write to FSCS at:

FSCS
Icesave Enquiries
7th floor, Lloyds Chambers
1 Portsoken Street
London
E1 8BN

Contact Details

If you have any queries regarding the online operation of your Icesave account, please contact Icesave's Customer Services Helpline on 0845 605 6050.

If you have more general queries about the FSCS depositor compensation payment process, please contact FSCS's Customer Helpline on 0845 7300 131 (Icesave enquiries only). Or you can email FSCS at enquiries@fscs.org.uk.