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MEDIA INFORMATION

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 30 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 30 investment firms is attached. Full address details are available from FSCS's website at 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.

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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

Before 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.

FSCS is 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 investment business

Dealing with an authorised firm gives consumers access to the Financial Ombudsman Service (FOS) 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 for financial loss where a firm is unable to meet claims. For investment claims, compensation aims to put consumers back into the position they would have been in had they not invested. The compensation limit for investment claims is £48,000 per person.

5. Investment claims

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, but it was unsuitable for them and they have lost money as a result of the advice they received. FSCS can pay compensation for financial loss arising from, for example, bad advice, negligent investment management and fraud. FSCS can also help if an authorised investment firm stops trading and cannot return its customers' investments or money.

Declarations by FSCS

17 February 2006

East

Blackbourne Financial Services Limited, Norfolk, IP24 2EA

Whitmore & Emmerson Insurance Brokers Limited, Norfolk, IP24 2DW

Midlands

John Henshall Financial Services Limited, Grosvenor House, Central Park, Telford,
Shropshire, TF2 9TW

**Mark Rogers trading as M Rogers & Associates and formerly trading as M Rogers
Insurance and Mortgages**, Ludlow, SY8 1RL

North

Heritage Financial Services Limited, Chester, CH1 1RD

Michael Cull (Financial Planning) Limited formerly trading as Michael Cull Limited,
Bolton, BL1 1LN

**Mr Peter Young and Mr Jonathon Thorpe trading as Peter Young Financial Services,
formerly Young Thorpe Strategy Planners & Independent Financial Advisers**, Stoke on
Trent, ST1 5HE

Peel Thompson Fletcher Limited now Thompson Fletcher Financial Services Limited,
Stockton-on-Tees, TS18 1DB

Safeguard Investment Company Limited, Rochdale, OL16 1RX

Scotland

Donald Storrie Financial Services Limited formerly trading as Hope Sixteen (No. 156) Limited, Hamilton, ML3 6DG

Pollock & Buchan (Mortgages & Financial Services) Limited, Glasgow, G1 3JE

Save & Invest (Glasgow) Limited, Glasgow, G2 2QD

South East (including London)

Anthony Malpas formerly trading as Advantage Insurance Services, London, SE9 1BG

Arden Court Limited, Maidstone, ME13 7EH

BHK Financial Management Limited (in creditors voluntary liquidation), London W1W 6DW

Jannard Insurance Brokers (Fire & General) Limited, Edgware, HA8 7HF

MD Life & Pensions Limited formerly known as R.G. Ford Life and Pensions Limited, Chelmsford, CM2 0PD

Mr B S Epstein formerly trading as B S Epstein, Esq, New Barnet, EN4 8RQ

Mr Christopher Southgate trading as Capital Growth Financial Services, Braintree, CM7 7ES

NBJ Benefit Consultants Limited, Bromley, BR2 9QP

Rampart Securities Limited, formerly trading as Tufflead Limited, also formerly trading as Morgana Limited, Chobham, GU24 8LD

Ray Downing Insurance Consultants Limited (in liquidation), Crawley, RH10 1BT

Torevell Mahon Limited formerly Torevell Mahon Granville Limited, London, E1 8AF

South West

**Mr J & Mrs S Pratt formerly trading as Cloyton Mortgage Consultants, Budleigh
Salterton, EX9 6NG**

**Rickman Tooze Independent Financial Advisors Limited in administration, Cheltenham,
GL50 1EN**

Wales

**Buckles Mortgage Services Limited, formerly G K B Financial Services Ltd, Buckles &
Co (Life & Pensions) Ltd, Buckles Ltd & Buckles South Ltd, Rhyl, LL18 3LA**

Yorkshire and Humberside

**David Nicolas Brown - deceased formerly trading as D N Brown Life & Pensions,
Cottingham, HU16 4JD**

**Lee Taylor and Christopher Gary Malkin trading as BLM Christopher Lee Financial
Services (previously Christopher Lee Financial Services), Leeds, LS26 8SL**

**Michael Britton & Howard Marshall formerly trading as Barnsley Insurance & Mortgage
Agents, Barnsley, S70 2ST**

Yates & Son Insurance Brokers Limited, Ilkley, LS29 9JD