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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 33 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.

"Our role is to help consumers who have nowhere else to turn," says Loretta Minghella, Chief Executive. "It is important that consumers know we exist, and that we may be able to help if they believe they have lost money."

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

A list of the 33 investment firms is attached. Full address details are available from FSCS' 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

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

9 November 2005

Midlands

Dalton Welbeck Securities Limited, Kidderminster, DY10 2AH

Hall, Morris-Jones Limited, Shrewsbury, SY1 1RW

Jonathon Townrow, formerly trading as J M Townrow and Associates, Cannock, WS11 1AR

Krishan Duggal trading as K K Insurance Consultants, Birmingham, B20 3JE

Openhelm Limited, Birmingham, B17 9TU

Peter Morgan and Anthony Robinson, formerly trading as Banner Morgan Countrywide, Nottingham, NG15 8FD

North

EA5 Limited (In Liquidation), formerly known as Exchange Assurance Services Limited, also formerly known as A B Birley Life & Pensions Limited and A B Birley Insurance Services Limited and A B Birley Insurance Brokers Limited, Liverpool, L2 0PP

John Pieri (Insurance Brokers) Limited, formerly Pattinson Edwards and Company (Brampton) Limited, Cumbria, CA8 1RP

Life & Financial Consultancy Services Limited, Cheadle Hulme, SK8 5AF

Scotland

Fairfield Financial Services Limited, Hamilton, ML3 6HP

J C Roxburgh (Management Services) Limited, Clydebank, G81 1LQ

Lander Grayburn & Company Limited, Glasgow, G40 4LP

Sertam Limited, formerly H E Grant (Asset Management) Limited, Dundee, DD1 4DH

South East (including London)

Alan Young Estates (Bexley Heath) Limited trading as Park Estates, Bexleyheath, DA6 7EJ

Anthony Davis, formerly trading as Davis & Groves Insurance & Mortgage Consultants, London, SE27

Executive Financial Solutions Limited, Slough, SL1 2HL

Exitout Limited, formerly known as J Slutsky (Personal Financial Planning) Limited, London, NW8 0BY

The IFA Group Limited, previously known as Trewans Limited and as W M C Commercial Limited, Wokingham, RG40 1XU

Mr I Gold and Mr G Fisher, formerly trading as Fisher Gold Associates, Wealdstone, HA3 5AH

James Hunt Dix (Life & Pensions) Limited, London, E1 6BX

John Crayden trading as Fleet Mortgage Insurance & Finance Services, Fleet, GU15 3BN

Leslie Zerfahs trading as Southern Assurance Services, Chieveley, RG20 8XD

Marwell Insurance Brokers, Hove, BN3 2BB

Penmor Financial Services Limited, London, NW7 4RN

Rainbow Finance Limited also trading as Rainbow Finance International, Oxford, OX1 1HH

South West

G B Griffiths & Co Limited, Langford, BS40 5JH

Howard & Howard (Life and Pensions) Limited, formerly Howard & Watson (Life and Pensions) Limited, Exeter, EX2 9RQ

Kallender Walwyn Insurance Brokers Limited (subsequently Quib Limited), Trowbridge, BA14 8ET

Wales

Michael John Evans, Newport, NP6 4BR

Yorkshire and Humberside

Adel Management Services Limited, Bardsey-Cum-Rigton, LS17 9JL

David Anthony Wood trading as David Anthony Wood Life & Pensions, Huddersfield,
HD1 5EY

Jack Midgley & Donald Midgley, formerly trading as Midgleys Insurance Mortgage & Pensions, Eccleshill, BD2 2HX

Robert-George & Co (Financial Services) Limited, Chapeltown, S35 2XH