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MEDIA INFORMATION

FSCS declares two mortgage advice firms in default

Consumers in Northamptonshire and Dorset could now claim up to £48,000 if they have lost money as a result of their dealings with two mortgage advisors the Financial Services Compensation Scheme (FSCS) has declared in default.

The FSCS is stepping in to protect individuals who may have lost money as a result of dealings with mortgage advisors John Ebsworth & Partners (formerly the Mortgage Consortium) and First 4 Brokers Limited (formerly trading as F4B).

Declaring the firms in default means the firms are unable or likely to be unable to pay claims against them and triggers FSCS protection.

Loretta Minghella, FSCS Chief Executive, says: "The FSCS's role is to help people who have lost money after doing business with an authorised firm if that firm is unable or likely to be unable to meet claims made against it. It is important consumers know that we may be able to help if they have nowhere else to turn. People who believe they may have a claim against the firms should contact the FSCS on 0800 678 1100 or 020 7892 7300, or by email at enquiries@fscs.org.uk."

The addresses of the firms are:

- **John Ebsworth & Partners (formerly the Mortgage Consortium)**, 15 YORK ROAD, NORTHAMPTON, NORTHAMPTONSHIRE, NN1 5QG
- **First 4 Brokers Limited (formerly trading as F4B)**, 30 WEST BOROUGH, WIMBORNE, DORSET, BH21 1NF

Further information about the FSCS's work and how to claim is available on its website at www.fscs.org.uk/consumer.

For more information about FSCS see Notes to Editors section or visit www.fscs.org.uk

Notes to Editors:

1. About FSCS

The Financial Services Compensation Scheme (FSCS) is the UK's statutory compensation scheme for customers of authorised financial services firms. This means that the 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). The FSCS does not charge individual consumers for using its services.

2. UK's statutory Compensation scheme

As the UK's statutory compensation scheme, the FSCS can only pay for financial loss where a firm is unable to meet claims. The compensation limit for home finance advice and arranging is up to £48,000 per person (100% of the first £30,000 and 90% of the next £20,000).

From the 1 January 2010 the compensation limit for home finance advice and arranging will be 100% of the first £50,000.

3. Declaring a firm in default

Before the 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.

The 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.

4. Authorised firms

Dealing with an FSA authorised firm gives consumers access to the Financial Ombudsman Service (FOS) and the FSCS. Consumers can check that the firm they are dealing with is authorised by contacting the FSA's Consumer Helpline on 0845 606 1234.