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Whiteley Insurance Consultants (in provisional liquidation)

FSCS declares default for emergency claims

The Financial Services Compensation Scheme (FSCS) is stepping in to assist customers of Whiteley Insurance Consultants (WIC). The Scheme has declared WIC in default to enable it to provide immediate assistance to the provisional liquidators for emergency claims that fall within the scope of its protection, whilst the financial position of the firm is being established.

“We are naturally very concerned about the position of policyholders with emergency claims, particularly if the claim relates to emergency medical treatment,” says FSCS’s Chief Executive, Loretta Minghella. “We have taken the decision to assist the provisional liquidators with the payment of emergency claims, where we can, whilst the financial situation of the firm is being clarified.”

FSCS can now consider emergency claims arising from business conducted on or after 14 January 2005. The provisional liquidators are currently trying to establish the financial position of the firm, which may hinder its ability to meet some urgent claims immediately.

What this means for policyholders

Whilst the financial position of the firm is being established, FSCS can consider emergency claims relating to business conducted on or after 14 January 2005. This is the date when customers of insurance intermediaries first came under the Scheme’s protection.

FSCS will not be handling claims directly. Claims will continue to be handled through the provisional liquidators’ helplines and will be considered on a case-by-case basis.

- For emergency medical claims, customers of this firm should ring the 24-hour emergency number: 01422 355553.
- Any other consumers who think they may have a claim, or are due a return of premiums, should call the provisional liquidators’ helpline on 08705 234803.
- Anyone who bought insurance through this firm may need to arrange alternative cover immediately, and should check their policy. If consumers have any questions they should call the provisional liquidators’ helpline on 08705 234803.

FSCS will not be considering other (non-emergency) protected claims until the ability of the firm to meet claims has been established. If the provisional liquidator establishes that the firm has enough money to deal with claims itself, claims will be considered by the firm and FSCS will not need to be further involved.

For press enquiries contact:

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Notes for editors

1. On 26 April 2005 the High Court in London appointed Provisional Liquidators Dan Schwarzmann and Nicholas Reed of Pricewaterhouse Coopers LLP to Whiteley Insurance Consultants (Whiteley), a firm of travel insurance intermediaries which also trades as Kingfisher Travel Insurance and Kingfisher Insurance Services.

The appointment was made in support of a public interest winding-up petition, presented by the Financial Services Authority (FSA).

2. An emergency claim is likely to include, for example, somebody who is in a life-threatening situation; is an in-patient or needs to be hospitalised; and/or who needs urgent repatriation.
3. FSCS is funded by levies on authorised firms.

If the provisional liquidators determine that the firm is solvent, any compensation paid by FSCS will be recovered from the firm.

If the provisional liquidators determine that the firm is insolvent, FSCS is also likely to be triggered for other (non-emergency) protected claims.

It is too early to say whether a levy will be needed, or how much any levy might be.