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MEDIA INFORMATION

Consumers could claim up to £48,000 in compensation after FSCS steps in

Consumers can claim compensation of up to £48,000 if they have lost money as a result of their dealings with any one of 19 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. 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.

"FSCS aims to provide an effective and efficient compensation service for consumers, and helps maintain confidence in the financial services sector," says Loretta Minghella, Chief Executive. "It is important that we let consumers know that FSCS may be able to help if they have lost money and the firm can't pay."

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 also pay compensation for financial loss arising from negligent investment management and fraud, or if an authorised investment firm stops trading and cannot return its customers' investments or money.

A list of the 19 investment firms is attached. Consumers who believe they may have a claim should contact the Scheme on 020 7892 7300, or by email at enquiries@fscs.org.uk. Further information about FSCS's work is available from its 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.

Declarations by FSCS

13 March 2007

East

Alpha Financial Consultants Limited, KINGMAKER HOUSE, STATION ROAD, NEW BARNET, HERTFORDSHIRE, EN5 1NZ

D Seymour t/a Grove Financial Services, 45 TIMBERHILL, NORWICH, NORFOLK, NR1 3LA

JEMR Limited, formerly John Critoph Limited, formerly John Critoph (Life Pensions & Mortgages) Limited, formerly John Critoph (Life Pensions and Mortgage) Brokers Limited, 22 CHURCH PLAIN, GREAT YARMOUTH, NORFOLK, NR30 1NE

West Midlands

Acorn Holdings Limited (In Liquidation), 1ST FLOOR, 41 CHESHIRE STREET, MARKET DRAYTON, SHROPSHIRE, TF9 1PH

Barnett Financial Solutions Limited, formerly Ingram, Hawkins & Nock Financial Services Limited, SILVER END BUSINESS PARK, BRETTELL LANE, BRIERLEY HILL, WEST MIDLANDS, DY5 3LG

North

Keith Ashton Limited, 77 BANKS ROAD, WEST KIRBY, WIRRAL, L48 0RY

Scotland

Carden Insurance Services Limited, 61A RUBISLAW DEN SOUTH, ABERDEEN, AB2 6BA

Spear Gulland Financial Services Limited, 17 LYNEDOCH CRESCENT, GLASGOW, LANARKSHIRE, G3 6EQ

South East

Direct Independent Advice Limited (formerly Conrad Statham Financial Services Limited), KINGSTONS HOUSE, 15 COOMBE ROAD, KINGSTON UPON THAMES, SURREY, KT2 7AD

D Teare & S Rose, formerly t/a Teare Rose, 96 WALTON ROAD, EAST MOLESEY, SURREY, KT8 0DL

Harvey Parker Stenning Plc, 47 CHEAP STREET, NEWBURY, BERKSHIRE, RG14 5BX

J Stainton t/a Stainton Shiffner & Company, 30 CHURCH ROAD, BURGESS HILL, WEST SUSSEX, RH15 9AE

MBT Insurance Services Limited, 11 HEATH VIEW, EAST HORSLEY, LEATHERHEAD, SURREY, KT24 5ED

Pencap Limited, 80 EBURY STREET, LONDON, SW1 9QD

Pencastel Financial Services Limited, 41 CASTLE WAY, SOUTHAMPTON, HAMPSHIRE,
SO1 0BG

Stantern Finance Company Limited, 112B HIGH ROAD, ILFORD, ESSEX, IG1 1BY

**Queensgrove Financial Services Plc, formerly Queensgrove Limited & Queensgrove
Financial Services Limited**, MAYFAIR COURT, 74 STONEGROVE, EDGWARE,
MIDDLESEX, HA8 7UB

South West

Allen French & Co Limited, 52 QUEEN STREET, EXETER, DEVON, EX4 3SF

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