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MEDIA INFORMATION

FSCS declares mortgage advice firm in default

The Financial Services Compensation Scheme (FSCS) is stepping in to protect individuals who may have lost money as a result of their dealings with mortgage advisor Gordon Benville trading as Kingsfield. The FSCS has declared the firm in default and has started paying claims against the mortgage advisor.

Jonathan Clark, Director of Claims comments: "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 essential that a scheme like FSCS exists to ensure consumers can get compensation when a firm fails. We have started paying claims against the firm and are here to help those who think they may have a claim."

For claims connected to home finance advice and arranging, FSCS can pay compensation of £48,000 per person (100% of the first £30,000 and 90% of the following £20,000).

FSCS has sent application forms to affected customers of the firm, to enable them to claim compensation from the Scheme. Anyone who has had dealings with the mortgage advisor Gordon Benville trading as Kingsfield who believes they have a claim who have not received an application form from FSCS should contact the Scheme on 020 7892 7300.

The full name and address of the mortgage advising firm is:

Gordon Benville, trading as Kingsfield, SUITE THREE, 6 BROAD STREET, DEAL, KENT, CT14 6ER

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

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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 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. UK's statutory Compensation scheme

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

3. 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.

4. 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.

Dealing with an FSA 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.