



Dear Representatives,

Update on Section 27 process casework

Following our message in April, we said we would provide a further update this month on FSCS progress concerning claims against SIPP Operators under Section 27 of the Financial Services and Markets Act 2000, S.27. Our focus remains on customers who have claims about the activities of the unauthorised firm Avacade Ltd, and we have increased our resource who are dedicated to this work.

In our previous update we advised that a secondary linked claim would be created for us to consider whether further compensation is payable under S.27 and therefore you may have seen us create secondary customer claims (S- or NAAA-prefixes) and sending out third party information requests in recent weeks. At this point, there is nothing further you need to do, and we'll make claim specific requests in the usual way.

We have a volume of S.27 claims to review and these are being released in batches. Representatives shouldn't be concerned if they don't yet have a secondary S.27 claim and only claims that we are ready to work will show as active on our online claims portal.

We want to ensure our focus is on taking claims forward, so we kindly ask that you don't contact us for updates on these claims, unless you need to update us about a customer's circumstances, for example, if we need to consider prioritising their claim.

What you will see next

The additional resource in this area will allow us to increase our output of S.27 claims over the next couple of months. FSCS will continue to work through claims

and confirm on an individual claim basis if the customer has a valid claim.

How quickly claims are processed is dependent on various factors, including when we receive the necessary evidence that we've requested from third parties. You may see a varying volume of decisions at an individual Representative level, and this reflects that we're also processing direct customer claims and other Representative claims.

In addition to claims concerning Avacade the next cohort we will start to investigate for S.27 claims will be TPS Land, SJ Stone and Jackson Francis.

We will provide another S.27 update to you all in late August 2024.

Regards,

The Relationship Management Team

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