

Fresh Start UK Debt Management Limited

# Terms of Business

*Our Mission: To improve people's lives who are struggling with debt, by providing responsible advice and innovative solutions, empowering our customers for their futures.*



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# 1. INTRODUCTION

Fresh Start UK Debt Management Ltd (trading as Fresh Start UK) is authorised and regulated by the Financial Conduct Authority and we are committed to providing clear and transparent advice and information about our service.

This Terms of Business sets out our commitment to you and yours to us and should be read in conjunction with your Debt Management Agreement (DMA) which will give you specific information about the advice you have received and your Debt Management Plan (DMP) with us.

# 2. WHAT WE STAND FOR

## OUR MISSION

To improve people's lives who are struggling with debt, by providing responsible advice and innovative solutions, empowering our customers for their futures.

## OUR CORE VALUES

- Responsibility
- Innovation
- Service
- Empowerment

# 3. OUR ADVICE

We provide specific advice to you based on your situation and based on where you live. We will always provide advice which is in your best interest and takes account of your personal situation and goals.

We also make clear we are a commercial business, which means we charge a fee based on the work we complete. The fees we charge are clearly listed in your Debt Management Agreement (DMA). We also advise you on each advice call that there are alternative sources of advice, including those below:

### Sources of Free Advice and Free Debt Management Plans

You can contact MoneyHelper for free debt advice online at [www.moneyhelper.org.uk/en/money-troubles/dealing-with-debt/debt-advice-locator](http://www.moneyhelper.org.uk/en/money-troubles/dealing-with-debt/debt-advice-locator). The website includes providers of free- to-consumer DMP providers.

## 4. GLOSSARY OF TERMS

### MONTHLY MANAGEMENT FEE (MMF) CALCULATION

The monthly management fee is taken from our secured client account only once your creditors have been paid. We charge a higher monthly management fee in the first six months of your plan to cover the cost of setting up the plan. If you are switching from an existing debt solution with another provider with recent creditor information, then the monthly management fee will start at the rate shown from the seventh payment in the table below.

		Digital Plan (Recommended)	Non-Digital Plan
Number of active debts	First 6 months MMF	Regular MMF from month 7 onwards	
1-4	50% of disposable income (maximum £100)	£38.00	£39.00
5-8		£41.50	£42.50
9-11		£46.50	£47.50
12-15		£58.00	£59.00
16-20		£68.00	£69.00
20+		£78.00	£79.00
All fees subject to cap of 50% of monthly Disposable Income			

Where accounts are settled in the DMP then the fees will be reviewed and if the number of debts falls into a lower banding then the applicable fee will be applied. You will be issued with a new financial statement at this point and revised payment offers will be made to your remaining creditors.

### ANNUAL REVIEW

To ensure the ongoing suitability and affordability of your plan we undertake an advised review of your plan each year on the anniversary of the contract date or sooner if there is a material change in your circumstances. If your circumstances change during the plan, you must inform us immediately. Please note that if you fail to complete your annual review your plan may be terminated.

### CLEARED FUNDS

A balance in our Client Account that is able to be used in financial transactions, typically distributing your Monthly Repayment to your creditors or making full & final settlements. Until funds are considered to be cleared funds they are considered to be pending, and we will be unable to conduct transactions with them. Where payments are made to us at a higher frequency than monthly, payment to your creditors will be made at the same frequency.

## CLIENT ACCOUNT

This is a designated client account from which we will distribute promptly (normally within 5 working days) to your creditors Cleared Funds as they are available. All monies received from you are held in a separate ringfenced Client Account separate from the funds of Fresh Start UK. If there is ever a shortfall in client money held by us, for you, you might be entitled to compensation under the Financial Services Compensation Scheme.

## CLIENT AUTHORITY FORM

The letter of authority which you sign to give us the authority to act on your behalf.

## COOLING OFF PERIOD

The period of fourteen (14) calendar days starting when you sign the Debt Management Agreement. During this period, you have the right to cancel this agreement and receive a refund of any monies you have paid us to that point, excluding any money already paid to creditors.

## CREDIT FILE

If you cease to make the contractually required payments to your creditors then your creditors will update your credit file which will affect your ability to obtain credit in the short, mid, and long-term for up to 72 months from the default.

## CREDITOR CONTACT

We recommend that you stop paying your unsecured creditors included in your (DMP) once you have agreed these terms of business. We will start distributing payments to your creditors within 5-days of receipt of any funds into our Client Account. It is your right to communicate with your creditors if you wish to, we ask that you keep us update on all communications and where send copies of communications to us.

## CREDITORS

The people or businesses you have told us you owe money to and who are included in your Debt Management Plan. We will advise you of which debts we are unable to act upon. These debts may be transferred to other companies from time to time. It is important you contact us if a debt is transferred or if creditors attempt to re-negotiate a payment arrangement.

## DEBT MANAGEMENT AGREEMENT

The Agreement which forms the contract between you and us for the provision of regulated Debt Management Services as set out in the Financial Conduct Authority Handbook and Consumer Credit Sourcebook.

## DEBT MANAGEMENT PLAN (DMP)

The arrangement through which we negotiate with your creditors to achieve repayment of your debts, which includes the provision of regulated debt counselling and debt adjustment services.



## DEBT MANAGEMENT SERVICE

The Services which we provide to you in negotiating with your creditors and managing your payments to them, as more generally described in the Financial Conduct Authority Handbook and Consumer Credit Sourcebook.

### DIRECT DEBIT

A Direct Debit (DD) is our preferred payment option which enables us to securely store and use your account number and sort code for payments agreed under this agreement. If you pay by this method, we will collect any payment or fees due under this agreement in full or in part where full is not possible, by prior agreement with you. Full details can be found on our Direct Debit Policy at [www.freshstartltd.com/direct-debit](http://www.freshstartltd.com/direct-debit). Direct Debits are taken from your nominated bank account will show as Eazipay Ltd re Fresh Start UK.

### DIRECT DEBIT GUARANTEE

The Direct Debit guarantee is the Direct Debit scheme's customer protection. The guarantee is offered by all building societies and banks who accept direct debits. As a customer, the Direct Debit Guarantee protects you against payments made in error or fraudulently. This means Direct Debit is the safest payment method in the UK. A copy of our Direct Debit Guarantee will be sent to you if you chose this payment method.

### FULL & FINAL SETTLEMENT SERVICES

The settlement of debts in the plan during the course of the plan. Each settlement is subject to its own agreement, which may be subject to an additional fee. Any additional fees will be agreed with you prior to the commencement of the agreement. Consent will be sought where we are unable to distribute Client Money within 5 working days of Cleared Funds because negotiations are more protracted than expected. Creditors will usually request the source of the funds and an up-to-date financial statement.

### INTEREST AND CHARGES

We will request all further interest & charges be stopped by your creditors and ensure your balances are checked and updated from time to time. We will always update you on our negotiations as well as let you know any impact this will have on your plan.

### JOINT DEBT MANAGEMENT PLANS

If you are on a joint Debt Management Plan with another party, we always require consent from both parties to continue acting jointly on your behalf and to share information between both parties. If one party no longer wishes to remain part of a joint DMP and no longer requires our services or requests a single DMP, a single DMP will be offered to the remaining party. If no contact is made with the remaining party within 14 days, then the DMP may need to be closed.

### LEGAL ACTION

Your creditors still have the option to take legal action against you while you are in a debt management plan. They also have the option to issue a default notice under the Consumer Credit Act 1974 (as updated in 2006). They may precede this with statutory letters that should not be ignored.

A decorative graphic in the top left corner consisting of a blue vertical bar on the left and a green vertical bar on the right, both with a slight diagonal cut at the bottom.

## MONTHLY

All calculations are made monthly and referred to as monthly, regardless of your payment frequency. If you chose to pay weekly, fortnightly or four-weekly, your payments will be processed and distributed and receipts sent to you at the same frequency.

## MONTHLY PAYMENT

The total monthly amount paid to us by you throughout the term of your Debt Management Plan. The Term Monthly and Monthly Payment covers all frequencies of payments made, including weekly or fortnightly payments.

## MONTHLY MANAGEMENT FEE (MMF)

The monthly fee at the current rate in force or as specified in Your Debt Management Plan and calculated using the table 'MONTHLY MANAGEMENT FEE CALCULATION' in the section above. We reserve the right to vary these Terms of Business from time to time and will communicate such changes to you giving 30 days' notice before making any such changes.

## MONTHLY REPAYMENT

Represents the payment we disbursed to your creditors.

## MONTHLY PAYMENT STATEMENT

The statement issued by us which details monies paid to us by you and the disbursements made by us to your creditors together with details of the monthly management fee. This can be provided in hardcopy or electronically.

## NOTICE OF TERMINATION

If you do not fulfil your agreement with us, then we may terminate your agreement. The circumstances in which we may terminate this agreement are:

- The monthly payments for distribution to Creditors are not received into our Client Account for a period of three consecutive months or three separate payment failures in a twelve (12) month period; or
- You repeatedly fail to comply with requests for information or documentation, where this is fundamental to the delivery of the service; or
- you fail to conduct an annual review with us; or
- you become bankrupt, file a bankruptcy petition that results in a bankruptcy order, make an arrangement or composition with your creditors; or
- you make a formal application to a court for protection from your creditors generally; or
- you use abusive or threatening behaviour by you towards any employee of Fresh Start UK; or
- there is reasonable suspicion or evidence of fraudulent activity by you identified in our financial crime checks.

How you may terminate this agreement

- you may terminate this agreement at any time by giving 30 days' notice to the company. Any cleared funds held on file will be returned to you unless agreed otherwise by you.



Where we terminate the Agreement then you will receive four (4) weeks' notice in writing. Upon termination this agreement by either party, we will within five (5) working days notify your Creditors that we are no longer acting for you.

In line with our data retention policy, we will retain documents on file for 72 months following termination of the Agreement. Thereafter, you agree that title in those documents passes to us for the purpose of secure destruction.

## PAYMENT FREQUENCY

We offer Weekly, Fortnightly, Four Weekly and Monthly payment options. The frequency is set based on your preference and can be altered at your request.

## PAYMENT METHOD

We offer you a range of ways in which you can make your monthly payments. These are Direct Debit, Debit Card, Recurring Debit Card, BACS, Standing Order or by Cheque.

## PLAN TYPE

We operate two different plan levels, which are a Digital Plan and a Non-Digital Plan. These two plans hold different Monthly Management Fee levels and are based on the following:

### DIGITAL PLAN

- You pay by regular Direct Debit.
- You provide us a valid email address for communication.
- You participate in an annual review by a digital method, where offered.

### NON-DIGITAL PLAN

- You do not pay by regular Direct Debit.
- You require us to send post to you.
- You do not participate in an annual review by a digital method, where offered.

## PLAN TYPE CHANGE

Where any part of the Plan Type has not been kept to, we reserve the right to change the Plan Type. In this instance we will immediately change the Plan Type and associated MMF and notify you of this in a durable medium. One example of this would be where you agree to a Digital Plan but fail to participate in an annual review by digital method, changing the Plan Type to a Non-Digital Plan. Failure to remain up to date with your annual review, where required, could also trigger a change to the Non-Digital Plan.

## RECURRING PAYMENTS

A Continuous Payments Authority (CPA) enables us to securely store and use your debit card details for payment of your Monthly Repayment. If you pay by this method, we will collect any payment or fees due under this agreement in full or in part where full is not possible, by prior agreement with you. Full details can be found on our CPA Policy at [www.freshstartltd.com/cpa](http://www.freshstartltd.com/cpa).



## PRIORITY CREDITORS

Those of your creditors for whom we make allowance for you to pay them in full, including an allowance to pay off any arrears within the term of the agreement, each month.

Priority creditors include, but are not limited to, mortgage lenders, landlords/letting agents in respect of rent, local authorities in respect of council tax, the courts in respect of fines, child maintenance, judgments, utilities, creditors with whom you have secured debts such as a hire-purchase or second mortgages. Some creditors may become priority creditors if they take enforcement action against you in the form of a charging order.

## STATEMENT-OF-AFFAIRS OR FINANCIAL STATEMENT

The financial statement detailing your income and expenditure completed by us with the information you provide during a review. Approximately 10 working days after we have distributed funds to your creditors, you will receive a final financial statement reflecting true creditor balances and pro-rata payments. Please check this thoroughly and let us know any alterations needed or any errors, as this forms the basis of the repayments that we will continue to make to your unsecured creditors from month 2.

## SUITABILITY STATEMENT OR ADVICE LETTER

Where we have completed a review, by phone, paper or by digital means we will provide you with a Suitability Statement. This will highlight to you our advice and what we based this on. This will be provided by email, post or App, where available.

## TERM

The period from the date you sign your agreement until the conclusion of your Debt Management Plan, which may be an estimate when provided in a financial statement or suitability statement.

## TERMINATION

Cancellation of your Debt Management Agreement in accordance with the termination clause.

## TRANSFER OF RIGHTS

Our right to transfer this agreement to a regulated third party provided we give you prior written notice and you consent to this.

## VALUE ADDED TAX OR VAT

Please note that although provision of our services is currently VAT exempt. This could change in the future.

## VARIATION

We may vary these Terms of Business from time to time and will write to give you at least thirty (30) days prior notice of any changes. This may be through your Monthly Statement or as a separate written communication. You have the right to cancel at any time without financial penalty.

## WE, OUR OR US

Fresh Start UK Debt Management Limited, trading as Fresh Start UK.

## YOU OR YOUR

The clients named on the front of Your Debt Management Agreement (DMA) who are signatories to this agreement. This relates to an individual in a single party DMP or two parties in a joint DMP.

## WRITTEN COMMUNICATION

Means the method by which we will contact you. Written includes post sent by first and second class, as well as by electronic method, including email. This is also known as a durable medium.

## PENTAGON (EURODEBT / MONEYSAVE) & ATLANTIC

If you were a former customer of Pentagon (UK) Ltd or Atlantic Finance (UK) Ltd (Trading as EuroDebt or MoneySave or Atlantic), that we took on as part of our business purchase in 2019, we make an additional commitment to you. That commitment is that any zero-fee plans will be honoured and maintained by us for the duration of your plan. This means that if you were not paying fees into the plan as a part of your valid agreement, we will continue this.

## 5. COMPLAINTS

We strive to ensure our service is always excellent, but we understand we don't always get things right. If you are dissatisfied and want to get in touch, please contact us:

- Call: **01482 247 999** Monday – Thursday 9am to 6pm and Friday 9am -5pm.
- Email: [complaints@freshstartltd.com](mailto:complaints@freshstartltd.com)
- Write: Fresh Start UK Debt Management Limited, Fourth Floor, 48-50 Lowgate, Hull, HU1 1EN

We will do all we can to resolve your complaint within 3 business days. If we are unable to do this, we will write to you to tell you what we have done to resolve the problem, or acknowledge your complaint and let you know when you can expect a full response. You will receive contact from us advising on progress if we cannot respond immediately. We will let you have our final response as soon as possible and not later than eight weeks. The timescale can be dependent on the complexity of the case.

After our Final Response, or 8 weeks, whichever is sooner, you may be entitled to refer your complaints to the Financial Ombudsman. You must register a complaint with the Ombudsman within six months of receipt of our final response.

- Call: 0800 023 4567 (free for most people ringing from a fixed line) or 0300 123 9123 (cheaper for those calling using a mobile) or 020 7964 0500 (if calling from abroad)
- Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)
- Write: Financial Ombudsman Service at: Exchange Tower, London E14 9SR
- Web: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Our full complaints policy and procedure can be found on our website at [www.freshstartltd.com/complaints-procedure](http://www.freshstartltd.com/complaints-procedure).

## 6. PRIVACY

### DATA PROTECTION ACT 2018 – HOW WE WILL USE YOUR INFORMATION

Fresh Start UK Debt Management ('Fresh Start UK') will use your information only to contact you to discuss the provision of debt solutions and related services. Where the service you have requested is provided on our behalf by a third party, we will notify you of that fact. We will treat all your Personal Information as defined by the DPA and GDPR as confidential (although we reserve the right to disclose this information in the circumstances set out below). We will keep it on a secure server, and we will fully comply with all applicable UK data protection and consumer legislation from time to time in place.

We will not retain your personal information for longer than is necessary for the maintenance of your account, or for legal or regulatory requirements.

Where you provide the name(s) or other personal information about family/household members you confirm that you have their consent to do so for the purposes set out in our Privacy Policy.

Any information we collect and hold is used to help us improve the quality of our service, including electronic call recordings, scanned documents and secure messages between you and us.

We confirm that any Personal Information that we collect about you, from which we can identify you, is held in accordance with the requirements of the DPA and GDPR. We use your information only for the following purposes:

- Provision of regulated debt management services
- Provision of financial services and advice
- Debt administration and factoring
- Undertaking Know Your Client (KYC) checks
- To administer our websites
- Accounts and records
- For the prevention and detection of crime and the prosecution of offenders
- Advertising, Marketing and Public Relations on our own behalf or on behalf of third parties (subject to your consent)

Unless required to do so by law, regulation or contract, we will only collect, use and share information from and about you if we have agreed to this with you first.

When we contact you and collect Personal Information from you, you will be given the option to receive information from Fresh Start UK, or its business partners by post, e-mail, SMS or telephone, about products, promotions or special offers which we feel may be in your best interests. In the event that you do not wish to be contacted for such purposes, you will be given the opportunity to opt out of receiving information about such products, promotions or special offers from us or our trusted business partners.

We will not release your Personal Information or that of any family/household members to any company outside of Fresh Start UK for mailing or marketing purposes without your or their consent. You may unsubscribe from our mail, e-mail, telephone or SMS contact list at any time by replying to a promotional e-mail or SMS message with the word "STOP" in the subject line; by e-mailing us at [privacy@freshstartltd.com](mailto:privacy@freshstartltd.com) or telephoning on 01482 247 999, Monday – Thursday 9am to 6pm and Friday 9am -5.00pm.

Your Personal Information may be disclosed to other businesses within the Fresh Start UK group and to reputable third parties who will help process any account, you may have with us. Fresh Start UK requires all such third parties to treat your personal information as fully confidential and to fully comply with all applicable UK data protection and consumer legislation from time to time in place.

You should be aware that if we are requested by the police or any other regulatory or government authority investigating suspected illegal activities to provide your Personal Information and/or User Information, we may be legally required to do so.

We use Cookies to personalise your experience and so that you may retrieve your details at any time – if you do not accept Cookies you may be unable to use these facilities on our website. See "About Cookies" for further details.

Any changes to this policy will be posted on our website or notified to you in writing.

## WHEN WE SHARE YOUR INFORMATION

We will treat your personal information as private and confidential but may share it with others and disclose it outside of Fresh Start UK if:

- allowed by the debt management agreement
- you explicitly consent
- HM Revenue & Customs or other authorities require it
- the law, regulatory bodies (including for research purposes), or the public interest permits or requires it;
- required by us or others to investigate or prevent crime
- required as part of our duty to protect your accounts, for example, we are required to disclose your information to the UK Financial Services Compensation Scheme (FSCS)

The DPA and GDPR define certain information as 'sensitive' (racial or ethnic origin, political opinions, religious beliefs, trade union membership, physical or mental health, sexual life, criminal proceedings and offences). We may ask you for some 'sensitive' details where you meet our Vulnerable Customer Policy. We will only use this information to provide the service you require and we will ask for your explicit consent. As a customer, there may be times when you give us sensitive information.

Where we refer you to an insolvency practitioner on our panel then we will have obtained your consent to do so and disclosed that we may earn a referral fee from the insolvency practitioner for the regulated debt advice and work that we have undertaken before and after the referral. Our aim is to minimise the duplication of data capture and evidence gathering. We aim to undertake effective eligibility and suitability checks for any debt solution recommended before we transfer your personal data.

## YOUR RIGHTS UNDER DATA PROTECTION LAW

You have a right to receive a copy of the personal data that we hold about you.

To obtain a copy of the personal information we hold on you, please write to us at the address below or ring us on **01482 247 999** (Monday – Thursday 9am to 6pm and Friday 9am -5.00pm) and provide us with your details or ask for a Data Subject Access Request (DSAR).

Questions regarding this Policy should be directed to:

### DATA PROTECTION OFFICER

- Letter: Data Protection Officer, FAO Mr Michael Billington, Fresh Start UK, Fourth Floor, 48-50 Lowgate, Hull, HU1 1EN
- Email: [Privacy@freshstartltd.com](mailto:Privacy@freshstartltd.com)

### THE INFORMATION COMMISSIONERS OFFICE

- Write: Information Commissioner's Office Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF
- Tel: 0303 123 1113 (local rate) or 01625 545 745 (national rate)
- Web: [www.ico.org.uk](http://www.ico.org.uk)