

Fresh Start UK Debt Management Limited

Direct Debit (DD) Policy

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1 POLICY STATEMENT

Fresh Start UK Debt Management Limited (Trading as Fresh start UK) (*hereafter referred to as the "Company"*) are committed to using Direct Debits (DD) lawfully and within the Client's best interest. We will therefore only use Direct Debits in a manner which is agreed and clear to consumers.

2 PURPOSE

This purpose of this policy is to provide clear understanding of and guidance on the Company's use of Direct Debits to ensure we maintain a fair and transparent approach to our compliance standards throughout our business.

As a service provider in the Debt Management sector, we offer our clients the option to use Direct Debit – it is therefore vital that we have provisions in place to govern the facility.

3 SCOPE

The policy relates to all staff (*meaning permanent, fixed-term, and temporary staff, any third-party representatives or sub-contractors, agency workers, volunteers, interns and agents engaged with the Company in the UK or overseas*) within the organisation and has been created to ensure that staff deal with the area that this policy relates to in accordance with legal, regulatory, contractual and business expectations and requirements.

4 INTRODUCTION

The Company Direct Debit (DD) Policy takes account of situations where a new or existing DMP client with a Debt Management Agreement has agreed to a Direct Debit as their payment method as the means of paying their Debt Management Plan.

5 EXERCISING A DIRECT DEBIT

The Company will use Direct Debit only in circumstances wherein the Client has received a full explanation of the way in which it will be used and be given either the option to hear the Direct Debit guarantee or sent it in a durable medium. We also provide clear information on Direct Debits in our Terms of Business and on our website. The Company is committed to full transparency with all Direct Debits and as such Clients will always be made aware of the amounts taken, the payment frequency and the dates on which they will be processed.

Consent to use Direct Debit as a payment method can be given either verbally over the phone, or it can be given by completion of a Direct Debit mandate. Whichever method the Direct Debit is set by, we will always ensure consent is provided by the bank account holder. For bank accounts that require

more than one party to give consent, we will need both signing parties to sign the Direct Debit Mandate.

If someone else uses their bank account to make payments for you, we will need their consent as the bank account holder, when setting up a Direct Debit.

If at any time a client wishes for the Direct Debit to stop, they must notify us at least 3 days in advance by phone. Any request to cancel a Direct Debit will be honoured.

6 PAYMENT FAILURES

All contact in regard to Direct Debits is recorded on the Client's file.

Payments by Direct Debit are only attempted once, on the date agreed with you in advance. If a payment fails, we will not attempt to process that same payment again by Direct Debit, unless you request this.

Payments are only attempted on the date agreed, with the exclusion of bank holidays and weekends where your Bank will process the payment on the following working day. All payment attempts and communications regarding this are recorded on our systems.

Where payment was not processed, the Company will assume the Client may be experiencing financial difficulties and will attempt contact with the Client to discuss the situation. During that discussion, we will either make alternative arrangements, make further attempts where requested directly by the Client or seek to terminate the plan if either requested or applicable under our Termination Policy.

Where payment is attempted but fails a notification is sent to the Client in a [durable medium](#). This communication lets the Client know the payment is missed and highlights the consequences of missed payments. It also links to this Direct Debit policy which clearly shows how the Client can cancel the Direct Debit if they wish. In addition to an email or letter, the Client is contacted by SMS or WhatsApp to make them aware a payment has been missed.

The importance of maintaining payments to their creditors is identified to clients when payments are delayed.

If reasonable efforts to contact the Client are unsuccessful and there is no further evidence of financial difficulties, the Company will continue to use Direct Debit as a payment method moving forward. If so, any attempts made will be reasonable and not excessive, having regard to the possibility that an unresponsive Client may nevertheless be in financial difficulties and that a Client who was not in financial difficulties at the time of contact may subsequently be in financial difficulties.

The Company has regard for the Client's situation and understands that there may be a detriment to the Client when missing a payment, such as creditor contact and potential legal action.

7 CANCELLING A DIRECT DEBIT

A Direct Debit can be cancelled at any time by the Client or bank account holder (where separate) contacting us directly and requesting this at least 3 working days in advance by telephone. Where a cancellation is requested, we will always honour this. A client can also cancel their Direct Debit via their bank directly, either by using online, App, telephone banking or going into a branch.

All Direct Debit requests are sent from us to the Client's bank 2 working days prior to the payment being due. Where payment has already been processed but not left the bank account, we will notify the Client and cancel the Direct Debit so no further payments are processed. We are unable to cancel a payment that was already requested 2 days in advance.

Clients wishing to cancel their Direct Debit, we always ask that you contact us directly in the first instance. We will complete any Direct Debit cancellation promptly, by phone within 3 working days, by SMS or email within 7 working days and by writing within 14 working days.

If there are circumstances where payment has been taken by us after we have recorded a request to cancel a Direct Debit, then we will promptly refund any cleared funds.

8 NOTIFICATION REQUIREMENTS

8.1 WHEN SETTING UP A DIRECT DEBIT

When a Direct Debit is set up and consent from the Bank account holder is obtained, we verify the bank account details using Bank Account Verification software. Once the account is verified we put in place the Direct Debit and this will be your primary method of payment unless agreed otherwise.

When setting up or making any changes to your Direct Debit we will send notification in writing, which will show any amendments. This information will include your payment method, frequency and amount, as well as more useful information. This document will be sent in a durable medium, usually post or email and be sent within 5 working days.

When we set a new Direct Debit, it is 5 working days before we can process any new payment requests. It takes an additional 2 working days to process a payment. This means if a client set up their Direct Debit with us by phone on Wednesday the 17th of June 2020, and wants us to process their payment asap, it will not come out of their account until Friday 26th June 2020. We will however always agree the date in advance.

When we set the Direct Debit by phone, we need to go through a script with the Client to make sure they understand the Direct Debit and we also offer to read our Direct Debit Guarantee to them. If setting the Direct Debit in writing, then the Direct Debit Guarantee is already provided.

Once the Client has given their consent and the Direct Debit is verified, we will notify them in a durable medium that the Direct Debit has been set and we will provide them with a payment schedule. This will be sent at least 3 working days prior to the payment being processed.

8.2 WHEN A DIRECT DEBIT FAILS

When a Direct Debit fails to go through, we do not make another attempt, unless the Client requests us to. We will always notify the Client promptly when any payment is missed and ask that they make the full or a part payment where they may be experiencing additional financial difficulties. It will take 2 working days to put another Direct Debit request through if they do wish to make another payment using this method.

Where a Direct Debit payment failure occurs then this will be notified to the Accounts Manager. Payment failures will be monitored as part of the on-going client review, TCF and risk monitoring programmes.

The Company policy is one of being firm but fair, in line with our TCF objectives statement. It has been increasingly recognised that where a Debt Management Plan is not operating properly that both the creditors and the Client need to be aware of this, minimising the business risk to The Company where the Client is not meeting their obligations under the Debt Management Agreement and prevailing Terms of Business.

8.3 RECEIPT

When a payment is successfully processed, regardless of the frequency of the payments the Client has agreed, we will notify them. This Receipt will include the amount they paid as well as how the payment was processed.

9 BANK ACCOUNT NAME

Payments taken by Direct Debit will show on the Client's bank statement as "Eazipay Ltd re Fresh Start UK".

10 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.

11 MONITORING

Ongoing monitoring will take place to monitor Client's Direct Debits and the Direct Debit scheme as a whole, for The Company.

END
