

**The agreement between you and us is made on the following terms and conditions**

**Section 1. Definition of terms:-**

'You' is our customer, whose name is recorded above (and partner where any of the debts are in joint names).

'Us' Credit and Loan Management Ltd, Address etc.

Also using the trading names Debt Rescue Centre and Bankruptcy Rescue Centre.

'Creditors' are any and all of your unsecured creditors whose details you will provide to us in accordance with **section 3**.

'Debt Management Plan' is a plan of repayments produced by us in accordance with **section 4**.

'Period' is the time the Debt Management Plan is in operation.

'Fees' is the money to be paid by you to us (Credit And Loan Management Ltd) in relation to maintaining the Debt Management Plan as described in **section 5**.

**Section 2. Agreement:-**

You request us, and we agree, to provide you with a debt counselling advisory and adjusting service in accordance with these terms and conditions. You authorize us to negotiate on your behalf with your creditors. This agreement shall continue until final repayment of the Creditors is made in accordance with the Debt Management Plan, unless it should have been terminated beforehand in accordance with **section 6**.

**Section 3. Your responsibilities:-**

**3i.** You will provide us, on request, with information relating to your finances.

This will include, but will not be limited to, details of your income and expenditure, your creditors and any agreements you have with them, any loans or mortgages you have, your dependants, any judgments made against you and any other enforcement action being taken against you.

**3ii.** You will sign any necessary forms of authority or any other documents so that we may negotiate with your Creditors on your behalf and generally carry out our obligations under this agreement.

**3iii.** You will pass copies of all correspondence from your Creditors to us and keep us informed of any dealings you have with any Creditors, whether we are negotiating with them or not. Once the Debt Management Plan has been agreed, you will not make any expenditure over and above your reasonable living expenses as calculated in the Debt Management Plan. You will not use your credit card nor incur further debts.

**3iv.** You will consult with us in relation to any repayments and/or any alterations to your Debt Management Plan. Your payments to us will need to be amended to reflect any reasonable changes which your circumstances dictate. You will make payments to us under and in accordance with the Debt Management Plan promptly and without deductions.

**3v.** On occasion, your Creditors may not provide us with balances of your accounts due to their own company procedures. If these circumstances arise then you will obtain this information for us and supply us accordingly.

**3vi.** We cannot be held responsible for any legal action taken against you by your Creditors as a result of fraudulent or incorrect information provided by you at the time of acquiring a loan, HP agreement, credit card, or any other form of credit.

**3vii.** Non contact from you will be considered cancellation of the agreement.

Written confirmation will be required to release any funds owing to you in accordance with **section 6** of this agreement.

**3viii.** If you do not maintain regular payments we will suspend any action and payments on your account. Your Creditors may have to be informed that payments are not being maintained. This may result in your Creditors continuing legal action against you for which we cannot be held responsible.

**3ix.** You remain responsible for continuing to pay any secured loans mortgages or hire purchase agreements and all household bills (including insurance's).

**Section 4. Our responsibilities:-**

**4i.** We will review your finances, covering your income, expenditure, debts, and assets. These must include all debts secured on property or goods, which we will take into consideration, but cannot negotiate reduced payments on. We will calculate your disposable income, based on reasonable living expenses.

**4ii.** In consultation with you we will produce a Debt Management Plan by which you can pay your creditors out of your disposable income at rates you can afford. The Debt Management Plan will take account of your Creditors and our fees. It will not take account of any matters you have not told us about in accordance with **section 3**. It will also take account of the differing requirements of your different creditors, where there is more than one.

**4iii.** We will negotiate with your Creditors and attempt to agree repayment terms with them of the amounts outstanding. In doing so we shall use the Debt Management Plan and we shall ensure that the periodic payments that we agree with your Creditors on your behalf do not exceed your disposable income (less our fee) as calculated by us for the same period.

**4iv.** We shall attempt to agree with your Creditors, where appropriate, that they freeze or reduce their interest charges and that they suspend or withdraw enforcement proceedings issued in connection with your agreements with them. In rare instances County Court proceedings may still be actioned against you. In these cases we will assist in completion of all relevant paperwork as required. We cannot guarantee to stop legal action by your creditors.

**4v.** During negotiations with your creditors, they may refuse to provide a balance/statement or be adding interest and/or other charges which we are attempting to stop. On these occasions it may be necessary for us to withhold or suspend payments to such a company until the information requested is provided, or suspension of charges is agreed. During this time, the relevant monies will either be held on account pending a satisfactory outcome, or credited to another creditor as an additional payment. This would be clearly shown on your statement.

**4vi.** We shall make payments to your Creditors in accordance with the Debt Management Plan.

**4vii.** The payments made to your Creditors will be reflected on the statements you will receive from them. A full breakdown of all payments we have made can be obtained on request. In addition we will issue annual statements showing all payments and receipts on your account.

**4viii.** Should your circumstances or any other relevant matter change during the period, we shall, in consultation with you and your creditors, review the Debt Management Plan and, if necessary, make changes to it in agreement with you and with any creditors concerned.

**4ix.** From time to time your Creditors will request an update of your financial situation. We will contact you to review your current financial circumstances and update your Debt Management Plan accordingly. To aid this process we request that payslips are regularly forwarded to us for review.

**4x.** All payments to us will be made into our Credit And Loan Management client account. This account is separate to our own business accounts and funds held for distribution to your creditors will be retained for that purpose only. No interest will be payable to you on funds that we hold. At all times funds held for distribution to your creditors will be classed as 'client monies'.

**4xi.** During the negotiation process some creditors may continue to charge interest and other recovery charges. We cannot always prevent these charges being levied. These will, however, be paid off as part of your Debt Management Plan.

**4xii.** We can only provide advice on the services that we offer.

**4xiii.** The Company takes any complaint regarding its practices very seriously. Any complaints can be sent in writing to the complaints department of the company and will be dealt with by them. The complaints department of the company will return correspondence within 14 days.

**Section 5. How we will be paid**

**5i.** We will take from each monthly payment under the Debt Management Plan a minimum fee of £29.38 per month. This figure may include VAT, which we have to charge by law. (At present this total sum amounts to 17.625%). A fee of £10.00 will be charged for any returned cheque to cover bank charges and administration costs and we reserve the right to charge additional fees if we incur extra expenses that are not reasonable.

**5ii.** Because most of the work for you will be done at the start of the period, we will retain as a fee the first monthly payment to cover the cost of implementing your Debt Management Plan.

**5iii.** If this agreement is ended in accordance with **section 6**, we will return any undistributed funds after having deducted the above fees and you will not owe us any more money. This will be made within 30 days of receiving written confirmation in order to allow us time to process all receipts and payments on your account.

**5iv.** In the case of weekly payments, four weekly payments will equate to one monthly payment and creditors will be paid 13 times a year as a consequence.

**Section 6. Termination of agreement**

**6i.** On receipt of your first full month's payment we will issue to you a key features document and guidelines on how the plan will work. If for any reason you wish to cancel we offer a seven-day cooling-off period from the date of this document in which we offer a full refund of any fees which we have taken.

**6ii.** After the seven-day cooling off period you may end this agreement by giving us four weeks notice in writing.

**6iii.** We may end this agreement by giving you four weeks notice in writing if any one of the following happens:

**6iv.** You breach this agreement and do not remedy the breach within seven days of our bringing the breach to your attention.

**6v.** A bankruptcy petition is issued against you.

**6vi.** You enter into an Individual Voluntary Arrangement/Trust deed.

**6vii.** Where the information provided to us is knowingly incorrect.

**6viii.** The information provided by you at the time of acquiring a loan (HP agreement, credit cards or any other form of credit) is deemed incorrect or fraudulent by any creditor, or

**6ix.** If we are affected by Force Majeure.