

## Frequently Asked Questions

### Clear your credit cards or loans with Credit Issues

**Do you have a credit card, unsecured loan or store card?  
Would you like to have its balance written off?**



We will assess the agreement you entered into to see whether it is possible to write off or reduce your credit card, store card or unsecured loan balance.

We could help thousands of people write off the entire balances of their credit card and unsecured loans through a completely legal process.

#### How is this regulated?

- Credit Issues Ltd specialise in consumer credit agreements therefore ensuring the best possible assessments. Scorpio Connect Ltd is an Appointed Representative of Credit Issues Ltd.



Credit Issues Ltd is regulated by the Ministry of Justice in respect of claims management activities. See [www.claimsregulation.gov.uk](http://www.claimsregulation.gov.uk)

#### How do I know if I am eligible to apply for help?

- If you have any credit cards, store cards and unsecured loan agreements with individual outstanding balances of more than £2,000, but less than £25,000, and that they were taken out **before** the 1<sup>st</sup> April 2007, then it is likely we can help and get the debt either totally written off or at least substantially reduced for you.

#### How does this work? Why can these cards or loans be written off?

- Key changes to the Consumer Credit Act 1974 ("the Act") means that some credit cards and unsecured loans issued before 1<sup>st</sup> April 2007 could be totally written off through our legal process.

Unfortunately many lenders / institutions may have failed to have internal systems robust enough to ensure adherence to the requirements of the Act in relation to agreements.

Recent case law and amendments to the Act has resulted in an ability to challenge a regulated agreement on the basis of their non compliance with the strict requirements of the Act which was designed to protect consumers, such as you. For example the aim of the Act was to make sure consumers understood what rights they have and what redress was available if dissatisfied.

Irrespective of whom your credit card, store card or unsecured loan provider is, so long as the balance is over £2,000 and less than £25,000 we could help.

Once instructed, Scorpio Connect (the Appointed Representative of Credit Issues) will contact you and once signed up our specialist team will obtain and assess your agreements and guide you through the rest of the process.

Not only are we seeking to write off or reduce the balance of your credit card, store card or unsecured loan we will also seek to reclaim any mis-sold payment protection insurance or accident sickness cover together with interest, if a broker was involved in the making of the agreement we will seek to recover any secret commission paid to the broker and finally Credit Issues will endeavor to recover any extortionate charges on the agreements(s).

No matter how many cards or loans you have we could help with them all. If your case meets the qualifying criteria the balance of your credit or store card or unsecured loan could be written off in full.

Sound too amazing to be true? Then take our simple online test now – Go to: [www.cardclear.biz](http://www.cardclear.biz)

#### **What happens when I apply online?**

- Your online enquiry will be passed to one of our specialist consultants / appointed representative who will contact you and arrange to complete your application. You will be fully informed as to the progress of your case every step of the way.

#### **How quickly can a meeting with an appointed representative be arranged?**

- Obviously the initial telephone call with you will have ascertained the basic facts with regard to your situation and identified whether we can indeed help you. If that is the case, then it's really just a case of arranging a mutually convenient date and time for a meeting, but this would usually be within two weeks from your first contact. This would also allow you time to prepare all the information that the appointed representative will need to go through with you during the meeting. (Details of this will be sent to you as soon as possible so that you can be properly prepared).

#### **How do I know I am getting the best advice?**

- Credit Issues are well versed in the fine details of the Consumer Credit Act 1974 (“the Act”) and related case law. With a combination of specialist legal knowledge and top class solicitors and barristers at our disposal we are confident that you will be getting the best advice available. Our staff use externally prepared detailed checklists to review each agreement and their compliance. If any staff need further assistance we have further help and assistance available only a phone call away.

### Have I got any alternative route of redress?

- Yes, you could approach the Financial Ombudsman or seek assistance from organisations such as the Citizens Advice Bureau, Advice UK, National Debtline, Consumer Credit Counselling Services and Parents, Pennies and Pounds.

### How much is this going to cost?

- Yes, we do charge for our services to help you clear your debts, but it may not be as much as you think. These costs, to you (the client) include an 'Instruction Fee' (payable at the first meeting), and a 'Conditional Fee' (which becomes due when your first card / loan is cleared).
- The fees do relate to the number of cards and loans you want to clear and how many applicants there are, and we have provided an example below, but let's keep it simple for the moment...
- The only other costs you will incur will be a nominal £10 fee (payable to each card or loan provider) to obtain a copy of your card or loan agreement, plus a £1 fee (also payable to each card or loan provider) to cover the Data Protection Act (so that we can access your information). So that's £11 for each agreement.

And that's it! - You pay nothing else!

Let's look at some examples, and see how the costs could be made up...

#### Situation One

**Two applicants** - with (say) 4 credit cards, 1 store card and 2 unsecured loans –  
**with a total debt of £60,000**

- **Initial Instruction Fee: £1,650** – (2 x £450 + 5 x £150)
- **Final Payment (Conditional Fee) for two applicants: £2,000**

**Total cost to you - £3,650** - Plus £77 to access and obtain copies of your agreements.

**But wiping out – anything up to £60,000 of debt!**

*“Would that be worth it?”*

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#### Situation Two

**One applicant** - with (say) 3 credit cards, 1 store card and just 1 unsecured loan –  
**with a total debt of £30,000**

- **Initial Instruction Fee: £1,050** – (£450 + 4 x £150)
- **Final Payment (Conditional Fee): £1,000**

**Total cost to you - £2,050** - Plus £55 to access and obtain copies of your agreements.

**But wiping out – anything up to £30,000 of debt!**

*“Wouldn't that be worth it?”*

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### Situation Three

**One applicant** - with (say) just 3 credit cards – **with a total debt of £15,000**

- **Initial Instruction Fee: £750 – (£450 + 2 x £150)**
- **Final Payment (Conditional Fee): £1,000**

**Total cost to you - £1,750** - Plus £33 to access and obtain copies of your agreements.

**But wiping out – anything up to £15,000 of debt!**

*“Wouldn’t that be worth it?”*

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### Situation Four

How about a more extreme case, for two applicants with (say) 12 cards and loans - **with £100,000 of debt between them!**

- **Initial Instruction Fee: £2,400 – (2 x £450 + 10 x £150)**
- **Final Payment (Conditional Fee) for two applicants: £2,000**

**Total cost to you - £4,400** - Plus £132 to access and obtain copies of your agreements.

**But wiping out – anything up to £100,000 of debt!**

*“Now that would be worth it, wouldn't it!!!”*

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The fees are more clearly defined as follows:

- Instruction Fee
  - **£450 for first card or unsecured loan (and to join Credit Issues) – for each applicant**
  - **£150 for each additional card or unsecured loan**
- Conditional Fee
  - **A conditional fee charged upon success of £150 per hour up to a maximum of £1,000 per client – or each applicant**

### For Example:

**A client with 1 credit card with a balance (or debt) of £5,000 -**

- Cost to client - £450 plus £1,000 = £1,450
- Total **saving** to client = £3,550

**A client with 5 credit cards and 1 store card with a total combined balance (or debt) of £40,000 -**

- Cost to client - £450 plus 5 x £150 plus £1,000 = £2,200
- Total **saving** to client = £37,800

**In the case of 3 credit agreements (unsecured loans)**

- Initial fee payable 1 x £450 plus 2 x £150 = £750.00
- Reductions of £5,000 in the sum outstanding under the first and second credit agreements therefore a total reduction of £10,000.00
- Compensation of £500 in the third credit agreement therefore a total compensation of £500.00
- Say 10 hours worked in respect of first credit agreement
- Say 5 hours worked in respect of each of the second and third credit agreements

**Conditional fees payable**

- **First credit agreement**
  - 10 hours worked less 3 initial hours is 7 hours at £150 is £1,050 (capped at £1,000) = £1,000.00
- **Second credit agreement**
  - 5 hours worked less 1 initial hour is 4 hours at £150 = £600.00 (waived)
- **Third credit agreement**
  - 5 hours worked less 1 initial hour is 4 hours at £150 = £600.00 (waived)
  - Benefit to Client : £10,500 less (£750 + £1000 (inclusive of VAT as applicable) is £1,750.00) = £8,750.00

**When do I need to pay any money?**

- **Instruction Fee**
  - This is payable at the outset when instructing Credit Issues to proceed
- **Conditional Fee**
  - This becomes due when first credit card or loan agreement is cleared – You will be invoiced for this.

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### Will I need to go to court?

- Normally no! Whilst we hope that lenders will be sensible and where an agreement is unenforceable agree it is. Sometimes it may be necessary to progress to Court particularly if there are factual issues. In the event that you do need to go to Court the nominated solicitor will explain this to you and guide you every step of the way.

### How long will the process take before the debts are cleared?

- There is no fixed time, but it should take somewhere between three and six months.

### Can I keep using my credit card or store card?

- No, once we have agreed to take your application we strongly advise that you do not continue to use your card, doing so may affect the ability to successfully complete your claim.

### Do I need to keep up the normal monthly repayments on my cards or loans?

- Yes, this is very important. You **must** keep on paying the normal monthly payments on your cards and loans, even though this will normally be the minimum monthly payment.

The process we are going through to help remove these debts does not absolve you from keeping up your normal payments.

If these are causing you problems, then please call us to discuss a more formal Debt Management program that would suit your particular circumstances.

### Will I be able to get another credit card, store card or loan?

- Yes, nothing we do in the process should affect your ability to apply for another credit card or loan with a different lender although we cannot guarantee how a particular lender / creditor may react. We believe that it would not be in the lenders commercial interests to decline an application with merit or cancel a good customers other agreements.

### Will I be responsible for any costs to the nominated solicitor?

- No, if unsuccessful you will not have to pay any costs incurred. Arrangements are in place to ensure the costs are covered. If successful the nominated solicitor will seek the costs from the other side.

### Am I able to choose my own solicitor?

- Yes, you are free to choose your own solicitor at any time but Credit Issues would suggest trying the nominated solicitor to see whether they meet your expectations. We are sure they will!

### Will this affect my credit rating?

- So long as you maintain your minimum payments or stick to any formal arrangements you are in your credit rating should not be affected. If we are able to get your debt written off with an agreement that the agreement is irremediably unenforceable we would suggest you write to the relevant credit reference agency requesting the removal of any adverse entries relating to that agreement. Credit Issues do not offer a guarantee as this is outside our scope.

### Disputing information held on your credit file

- Generally you have a legal right under the Data Protection Act 1998 and Consumer Credit Act 1974 to dispute the information a creditor holds about you if you believe it is not correct. They can usually only consider your dispute if you write to them within 6 months of receiving your credit file from an agency. Most of the information a credit reference agency holds is updated on at least a monthly basis, therefore a credit file that is over 6 months old is likely to be out of date. If your credit file is over 6 months old you must make a new application for your credit file to check the accuracy of the most up to date information they hold. When you are sent your credit file ask for a document explaining your legal rights in detail.

### Your marketing materials state that after reviewing my credit agreement Credit Issues are unable to help, then I will get all my money back minus a £50 per agreement administration charge; where is this stated within your contract?

- In the Credit Services Agreement V.12 Issues 17/09/08 under 'The Fees' on page 1:

*"In the event that Credit Issues determines that each of the credit agreements is enforceable and fair and that the creditor has not committed any breach of contract or duty Credit Issues will refund the fees paid by the Client save for an administration fee of £50 in respect of each agreement."*

It is worth adding that this is for any point in the process, whether Credit Issues have just reviewed the agreements or if the nominated solicitor believes the matter should not be progressed.

### Is this backed up anywhere else in your agreement?

- Yes, this is taken a step further in clause 7.1 saying your case is on a "no win no fee" basis as below (please note that "conditional fee agreement" is the legal term for "no win no fee"):

*"7.1 The nominated solicitor will act on a conditional fee agreement save in the case of a Client resident in Northern Ireland."*

### What's the difference between Credit Issues and the Nominated Solicitor?

- Credit Issues review your agreements to determine if they are unenforceable, or there are PPI / extortionate charge / secret commission issues , then they will on your behalf nominate for you a solicitor to take your case to court (if it does ever get to court) on a conditional fee basis (unless you are in Northern Ireland).

### You mentioned above that the nominated solicitor is “no win no fee”, won't I have to pay more money that you have quoted then if we do win?

- No, you will only have a maximum of £1,000 to pay on winning as stated under 'The Fees' on page 1:

*"any compensation under the credit agreements which is agreed or ordered or proposed and in any event will not exceed £1,000"*

This fully protects you against being charged any other fees.

### What if the case does go to court and we lose, do I have any other costs to pay?

- No, you will only have paid the front end fee and there will be no further fees or costs to pay; this is backed up as previously explained in A1 and where clause 7.4 says that you will not have to pay your opponents costs:

*7.4 In so far as the Client retains the nominated solicitor and complies with the obligations of the Client under clause 8 below, Credit Issues will indemnify the Client against any and all contingent liability for the opponent's costs of any claim prosecuted by the nominated solicitor.*

### Disputing information

- You have a legal right under the Data Protection Act 1998 and Consumer Credit Act 1974 to dispute the information we hold about you if you believe it is not correct. We can only consider your dispute if you write to us within 6 months of receiving your credit file. Most of the information we hold is updated on at least a monthly basis, therefore a credit file that is over 6 months old is likely to be out of date. If your credit file is over 6 months old you must make a new application for your credit file to check the accuracy of the most up to date information we hold. When we send your credit file to you we will enclose a Statutory Rights document entitled "Schedule 1". This explains your legal rights in detail.

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### What is a Notice of Correction / Dispute?

- This is a 200 word statement that you can add to your credit file, to explain any entry on it. If you add a Notice of Correction to your credit file any organisation accessing your credit file through the credit reference agency will have access to your Notice of Correction. Please bear in mind that if you add a Notice of Correction to your credit file, lenders searching our database for information we hold about you are obliged under the Guide to Credit Scoring to read your Notice of Correction. This may slow down their decision of whether to offer you the product/service you have applied for.

A Notice of Correction cannot be longer than 200 words long. Any statement they believe to be defamatory, libellous, incorrect or frivolous may be referred to the Information Commissioner for arbitration.

### How do I add a Notice of Correction or Notice of Dispute to my credit report?

- You must obtain a copy of your credit file from a credit reference agency (usually Experian, Equifax or Call Credit) before a Notice of Correction can be added to their database. Once you have received your credit file you may dispute information you believe to be incorrect. If they are unable to amend the information you have disputed because it is factually correct, you have a right to add a Notice of Correction to your credit file. Please write to the credit reference agency used citing their reference number and confirm the wording you would like to add to your file. Please remember that the Notice cannot be longer than 200 words long and must not be defamatory, libellous, incorrect or frivolous.