



Curtis Faraday

Debt Management Agreement Terms of Business

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This document is issued by the Compliance Department of:

Curtis Faraday Limited

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Table of Contents

Section	Description	Page
1	Introduction	3
2	Glossary of Terms	4
3	Important points to remember	8

1. Introduction

Curtis Faraday Limited offers all-round debt advice and access to a full range of Debt Solutions for all UK legal jurisdictions (i.e. England & Wales, Scotland and Northern Ireland), including Debt Management Plans (DMP), Individual Voluntary Arrangements (IVA), Protected Trust Deeds (PTD), Debt Arrangement Schemes (DAS/DPP), Bankruptcy Assistance and Debt Relief Orders (DRO).

We are a commercial Debt Management Company. We administer individual and joint Debt Management Plans (DMPs) ourselves. There are administration fees for these services set out below.

Our website at www.curtisfaraday.co.uk explains how each debt solution works. Free debt advice is available from [MoneyHelper](#)¹. We have a [Consumer Duty Policy and Client Charter](#), which can be accessed from our website. We also have an [Initial Disclosure Document](#) that you can review before engaging in debt advice or at the pre-contractual stage. We have a [Vulnerability Policy](#) for customers with additional support needs.

These Terms of Business must be read in conjunction with your [Debt Management Agreement](#) with Curtis Faraday. The information in this booklet will help you understand your obligations whilst in a Debt Management Plan (DMP) with Curtis Faraday.

Curtis Faraday is authorised and regulated by the Financial Conduct Authority (FCA) to provide debt counselling and debt adjusting services. We are committed to being transparent in terms of any fees that we charge, which will include a personalised fee illustration based on the completion of your plan with Curtis Faraday. We will make you aware of free-to-consumer DMP providers and the availability of the [MoneyHelper](#) website.

We are a member of the Debt Managers Standards Association (www.demsa.co.uk). We encourage disclosure of information that will help us deliver good outcomes throughout your relationship with us.

As part of our commitment to delivering good consumer outcomes, we promise to act in your best interests, offer all-round debt advice based upon your individual or joint circumstances and to be transparent and fair in all of our dealings with you. We will discuss the full range of debt solutions available to you, including the benefits and risks of each option, so that you make an informed choice. We are committed to ensuring that any business referring prospective clients to us is done so compliantly and with your consent.

Our aim is to be able to make a substantial contribution to the active creditors in your plan on an ongoing basis, such that we distribute at least £50 in total to your listed creditors per month, with a minimum distribution of £5 per credit agreement in the plan, where achievable.

Curtis Faraday has its own personal insolvency practitioner. Where we refer you to an insolvency practitioner on our panel then we will obtain 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.

¹ <https://www.moneyhelper.org.uk/en/money-troubles/dealing-with-debt>

2. Glossary of terms

The monthly management fee is always reflected as a monetary amount and is paid from the client account after we have distributed cleared funds to your creditors. We charge a higher monthly management fee in the first **four** 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 fifth payment in the table below.

Monthly management fee calculation (VAT is not applicable)

Number of active debts	Monthly management fee for first four payments	Monthly management fee from fifth payment
1-4	50% of disposable income subject to a cap of £200	£42.00 per month
5-8		£42.00 per month
9-20		£42.00 per month
20+		£42.00 per month

These fees apply to new customers only from May 2025. All other terms & conditions apply.

Our objective in managing your Debt Management Plan (DMP) is to determine whether you are able to self-manage your debts at the point of a future advised Annual Review. This becomes more achievable when the number of creditors falls below 5 and you have no priority arrears with a good payment record into your DMP.

Annual Review

To ensure the ongoing suitability 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 as a result of which it is necessary to renegotiate the terms of your Debt Management Plan (DMP) with your creditors. If your circumstances change during the plan, you must inform us immediately. Please note that if you fail to do this review your plan could be terminated, as it is a regulatory requirement.

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.

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 Curtis Faraday.

Client Authority Form

The letter of authority which you sign to give us 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.

Creditors

The people or businesses you have told us you owe money to and who are included in your Debt Management Plan (DMP). We will advise you of which debts we are unable to account upon.

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 (FCA) 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 FCA Handbook and Consumer Credit Sourcebook.

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 and 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.

Monthly Payment

The total monthly amount paid to us by you throughout the term of your Debt Management Plan (DMP). The Monthly Payment is the total of Monthly Repayment to creditors and the Monthly Management Fee.

Monthly Management Fee

The monthly fee at the current rate in force or as specified in your Debt Management Plan and calculated using the table 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 DMP 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 (on request) 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:

- i. 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

- ii. you repeatedly fail to comply with requests for information or documentation, where this is fundamental to the delivery of the service; or
- iii. you fail to conduct an annual review with us; or
- iv. you become bankrupt, file a bankruptcy petition that results in a bankruptcy order, make an arrangement or composition with your creditors; or
- v. you make a formal application to a court for protection from your creditors generally; or
- vi. you use abusive or threatening behavior by you towards any employee of Curtis Faraday; or
- vii. there is reasonable suspicion or evidence of fraudulent activity by you identified in our financial crime checks; or
- viii. you terminate this agreement at any time by giving reasonable notice in writing to the company.

Where we terminate the Agreement then you will receive four (4) weeks' notice in writing. Upon termination of 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 Method

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

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.

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 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. We use the Standard Financial Statement in England & Wales and Northern Ireland. We use the Common Financial Tool for Scottish residents.

Suitability Statement or advice letter

The document we send you to identify the best debt solution for your needs based on the information you have provided. This can represent information on two individuals in a joint DMP.

This will include a recommendation from us and the debt solution that you chose to progress with. Where there are two parties in an existing joint DMP then this may represent two individual advice letters or suitability statements where a joint DMP is being switched to individual debt solutions.

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 written prior 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 DMP Monthly Statement or as a separate written communication. You have the right to cancel at any time without financial penalty.

We, Our or Us

Curtis Faraday Limited trading as Curtis Faraday.

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, WhatsApp or other emerging communication methods. This is also known as durable medium.

3. Important points to remember

Many of the points below are applicable at the outset of the plan and throughout the lifetime of the plan. We have highlighted in bold those points where your co-operation is essential.

- Following any completed debt advice event, we will issue you with an advice letter. This will set out our recommendation and your debt solution choice (i.e. start a DMP with Curtis Faraday). This will be delivered in durable medium (i.e. letter or email). The initial debt advice event will be before you decide that you wish to start a DMP with Curtis Faraday. **Starting the DMP will be conditional on signing a Debt Management Agreement with Curtis Faraday.** Subsequent debt advice events will include your annual reviews.
- **You must disclose whether you have previously entered a debt solution and if this failed, the reason for the failure.** It is important that we can determine whether you believe your financial difficulties are temporary or longer term, as this is likely to influence the debt advice provided. We will also assess the different debts that you have and explain which can be included in the eligible debt solutions available based upon your country of residency.
- Following our debt advice session (i.e. you returning your signed debt management agreement) as your DMP provider, we will inform your creditors as soon as practicable after our appointment. This is particularly relevant if you are still making minimum contractual payments to some of your creditors. We will not attempt to collect your first month payment in the 14-day cooling off period after signing the debt management agreement (the contract) **unless you have instructed us to do so.** We will also require a signed letter of authority, details of each debt in the plan and a signed financial statement to progress to this point. The notified creditors will expect a payment within 30 days of notification by Curtis Faraday.
- A signed financial statement will summarise your income, expenditure, assets, unsecured creditors included in your debt management plan, the estimated plan duration, the estimated fees payable and other relevant information based upon your statement of affairs at the time of issue. We need to determine that you have surplus disposable income to make a DMP viable on a sustainable basis. At this stage, or any stage of the plan, we may request a copy of your credit file to obtain up-to-date balances, assess the status of your credit file and to complete a holistic review of your financial position. This may also identify the status of secured credit you may have or credit outside of the plan.
- The monthly management fee is based upon the number of debts in your plan.
- Wherever possible, please quote your Client ID when corresponding with us or your creditors and their appointed debt recovery agents.
- We will from time to time request up to date balances from your creditors on the accounts included in your DMP. We will also ask that further interest & charges be stopped. The outcome will depend on each creditor but it is our experience that the majority of creditors will observe 30-days breathing space from our initial contact with them, allowing us to set-up and negotiate your DMP. Creditors may advise us of other debts that they may have that match your details. We will discuss these with you to determine whether they are valid and to be included in the plan. This may affect the monthly management fee chargeable.
- We recommend that you stop paying your unsecured creditors included in your (DMP) once we have notified them that we are acting for you. We will advise you when to do this. We will start distributing payments to your creditors within 5-days or receipt of any funds into our Client Account, from month-1.
- **Please immediately advise us if either a creditor or their agent attempts to re-negotiate a payment arrangement with you once we are appointed.**
- 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.

- We will confirm to you, in writing, how much your monthly payment will be and when and ways in which you can pay it. We have a high success rate of getting creditors to freeze interest & charges during a DMP, but there is no guarantee that this will occur.
- **You must prioritise payments, such as mortgage/rent, council tax, water rates, utility bills and car finance, including arrears, before any unsecured borrowings such as credit or store cards and personal loans.** Allowances are made for these in your monthly budget planner.
- We will explore the risks of you not continuing to pay taxes, fines, child support payments or debts that could result in the loss of access to essential goods or services or repossession of, or eviction from, your home. **This requires full co-operation on your part.**
- If you have already missed payments it is likely that your creditors have recorded the information on your credit file. Any changes to the contractual payments and any default notices issued will be recorded on your credit file for 6 (six) years. Until you have cleared your debts, or you are able to resume full contractual repayments, it is unlikely that you will be able to obtain further credit in the short-term and in some instances in the medium to long term. This will affect your credit rating.
- Your creditors still have the option to use the County Court in England & Wales, the Sherriff Court in Scotland and in Northern Ireland the Northern Ireland Court Service to pursue their claim against you at any time during the plan. They may also 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.
- If the creditor chooses to sell a debt that is subject to a DMP, the debt-buyer is generally obliged to honour the existing plan for as long as it operates in accordance with the negotiated terms. **It is essential that you inform us immediately if you are notified of a debt assignment so we can contact them.**
- Any monies paid to us will be paid into a Client Account. We will disburse funds to your creditors in sufficient time to ensure that payment is made by the agreed date, subject to cleared funds, and in accordance with the FCA Handbook. All creditors and their agents are obliged to accept our payments.
- You have consented for us to deduct any monthly management fees, arrears or other notified contractual fees which may fall due, from the Client Account. These will be detailed on your monthly statement and are explained in the Terms of Business.
- It is your right to communicate with your creditors at any time but we recommend that you keep calls short, polite and always advise the creditor or their agent of our appointment, quoting your Client ID. Please forward any postal communication you receive from creditors, their debt collectors or their legal agents to your Account Manager. We will hold this electronically on your case record.
- Reviews are conducted by us annually, either upon the anniversary of the start date of your DMP or the last review initiation date. Your creditors may periodically request reviews. We may periodically request up-to-date copies of your income & expenditure evidence and credit file. **Please do not ignore any of these requests.** If reviews are delayed or missed the creditors can terminate any payment arrangements that we have negotiated and in line with new FCA guidance your DMP may be terminated. Don't worry, we will make every attempt to contact you to ensure your annual review is completed.
- **It is important that you promptly respond to any request for signed documentation or additional information regarding your creditors.** Any delay in response may affect the outcome of our negotiations with your creditors.
- **Remember that we are here to help you and it is vital that you keep us informed of changes of circumstance or foreseeable events that may influence your plan with Curtis Faraday.**