



Case No CCA/2012/0016

IN THE FIRST-TIER TRIBUNAL
(CONSUMER CREDIT)
GENERAL REGULATORY CHAMBER

IN AN APPEAL FROM THE DECISION OF THE OFFICE OF FAIR TRADING
DATED 14 NOVEMBER 2012 REVOKING THE APPELLANT'S LICENCE

B E T W E E N :

FIRST STEP FINANCE LIMITED

Appellant

and

THE OFFICE OF FAIR TRADING

Respondent

ORDER

Upon reading the joint application of the parties and a draft consent order

And upon the Appellant and Mrs Christine Whitehurst giving undertakings to the OFT and to the Tribunal

And upon the Appellant and the Respondent having agreed terms for the disposal of this appeal by consent

And upon the request of the parties under Rule 37(1) of the Tribunal Procedure (First-tier Tribunal) (General Regulatory Chamber) Rules 2009

By consent it is ordered that:

1. The Respondent's determination dated 14 November 2012 be varied under Section 41ZB(2)(c) of the Consumer Credit Act 1974 ("**the Act**") in the manner set out below:
 - 1.1 The Appellant is authorised under section 34A(1) of the Act to carry on the activity of debt adjusting and debt counselling services until 4pm on Friday 18 October 2013 for the purpose of enabling the Appellant to transfer or wind up its

business (the period up to that time being referred to herein as the “**Authorisation Period**”).

1.2 During the Authorisation Period, the Appellant is required under section 34A(3)(c) of the Act:

- (a) To cooperate fully with the OFT in the monitoring of its compliance with applicable legislation, guidance and the terms of this consent order.
- (b) Not to take on any new customers for its debt management business.
- (c) Not to advertise its debt management business and to make clear on its debt management website that no new customers are being accepted.
- (d) Not to take any fee:
 - (i) in relation to any settlement reached with any creditor unless the consumer in question has expressly agreed to the terms of that settlement in advance; and
 - (ii) in relation to any credit agreement deemed unenforceable by FSF unless (1) the relevant creditor has agreed, (2) a competent court has held or (3) an external solicitor has advised that it is unenforceable as a matter of law.
- (e) In any event, not to charge or attempt to charge its customers any fees other than those to which it is contractually entitled.
- (f) Not less than 21 days before the earlier of (i) the end of the Authorisation Period and (ii) the anticipated completion date of any transfer or winding-up of all or part of FSF’s debt management business, FSF shall write to all its customers and all of its customers’ creditors with which it is dealing, informing them of:
 - (i) the intention to transfer and/or wind up all or part of FSF’s debt management business;
 - (ii) the proposed date for any such transfer and/or winding up;
 - (iii) in the case of any such transfer, the identity of the proposed transferee; and
 - (iv) information as to the effect of such a transfer and/or winding-up.
- (g) In general:
 - (i) to comply with any provision made by or under the legislation specified in section 25(2A)(b)(i) to (iii) of the Act; and
 - (ii) not to engage in deceitful or oppressive or otherwise unfair or improper business practices (whether unlawful or not).
 - (iii) not to commit any offence involving fraud or other dishonesty or violence.

- 1.3 Such authorisation shall cease to have effect at 4pm on Friday 18 October 2013.
2. Save as aforesaid, the appeal be dismissed.
3. There be no order as to costs.

A handwritten signature in blue ink, appearing to read 'Peter Hinchliffe', with a stylized flourish at the end.

Peter Hinchliffe
Judge
First-tier Tribunal (Consumer Credit)

29th July 2013