



What happens to my money?

This leaflet explains what we will do with the payments you make to your debt management plan.

How your payments will be used

We will use them to pay your lenders and to pay our fees.

Protecting your money

We will hold all your payments in our client account. This account is only used to hold customers' money.

When we pay your lenders

We'll pay your lenders either every month or every four weeks (depending on the payment period we agree with you).

If you make your payments in weekly or fortnightly instalments, we hold the instalments until we have the full payment for each payment period before we send the money to your lenders.

Once we receive your payment, we aim to send payments to your lenders within five working days. In most cases, we actually send the money on the day your payment clears.

There are times when we know we won't be able to pay your lenders within five working days. It will take more time if:

- **it's your first payment**

We'll distribute this payment:

- within five working days of the date we send your debt management plan to your lenders; or
 - within 19 days of when we receive your full payment;
- whichever happens first.

- **we need more information**

If we can't send payments to a lender for this reason, we'll let you know what information we need (for example, a reference number or details of the company collecting your debt).

- **we've agreed with your lender to delay the payment**

For example, some lenders ask us to send payments on a set day of the week or month, or to wait until the amount reaches an agreed minimum. This helps them deal with your payments efficiently and helps to keep your plan running smoothly. We'll hold their payments in our client account until the agreed time.

We will only agree to delay payment for a lender if we believe it is in your best interest.

- **you ask us to**

We'll hold or delay payments to a lender if you tell us that's what you want us to do.



What happens to my money? continued

- **it's your final payment**

As you reach the end of your debt management plan, we may delay sending payments while we confirm the exact balance for each lender. This is to make sure that they get the correct final payments.

- **we were not expecting your payment!**

If we receive an unexpected payment from you, we will try to contact you to check if there has been a mistake before we send it to your lenders.

- **the payment is very small**

Sometimes lenders refund overpayments into your debt management plan. We will share this refund between your other lenders. However, if the overpayment is only small, we may wait until we distribute your next regular payment.

- **we can't allocate a payment**

Sometimes we receive money but have no way of knowing who it belongs to. This is usually because there's no customer reference number or a wrong reference number is given.

Sometimes we know who the payment belongs to but we can't trace the customer (for example, if we need to return money to a previous customer who has moved without telling us their new address).

If this happens, we will do what we reasonably can to find out whose payment it is or trace the customer. We will keep the money in our client account until we do.

If we can't send payments for any other reason, we'll be in touch.

If there's a delay

If lenders aren't paid on time, they could add interest and charges to your debts, cancel any payment arrangements we've agreed with them, and take further action against you to recover their debts. If we can't send your payments for any reason, we'll keep you and your lenders informed and work with you both to try to avoid any unnecessary delays or consequences.

Keeping you informed

We'll send you a statement at least once a year to show you the payments we've made to your lenders and the progress you're making on your debt management plan.

