

# Frequently Asked Questions (FAQs) - CTL

As at 28 August 2020

**CURO Transatlantic Limited (in Administration) - "CTL"**  
**Court number 1418 of 2019**  
**SRC Transatlantic Limited (in Administration) - "SRC"**  
**Court number 1419 of 2019**  
**Together - "the Companies"**  
**Joint Administrators - Howard Smith and Ed Boyle**

Howard Smith and Ed Boyle were appointed as Joint Administrators of CURO Transatlantic Limited on 25 February 2019. CTL was a provider of short-term, high-cost consumer finance and traded exclusively in the UK under two brands: WageDayAdvance and Juo Loans.

**Please note that a first and final dividend of 5.68 pence in the pound was declared to unsecured creditors with an agreed claim in the Administration on 20 May 2020. A separate FAQ document providing answers to questions relating to the dividend is available on our Portal website at [www.kpmg.co.uk/curo](http://www.kpmg.co.uk/curo).**

## *Background*

Immediately following their appointment, the Joint Administrators concluded a sale of the business and the majority of the assets of CTL to Shelby Finance Limited, an unconnected purchaser ("Shelby"). As part of this sale, a proportion of CTL's outstanding loan book was purchased by Shelby.

A separate sale of CTL's remaining customer loan book was also subsequently concluded with Lantern Debt Recovery Services Limited ("Lantern").

Customers whose loans have been sold have been emailed confirmation of the sale of their loan by the Joint Administrators, and separately by Shelby or Lantern (as relevant) who will administer these loans from now on.

Please note, neither Shelby nor Lantern have purchased CTL as a company or legal entity and therefore CTL remains under the control of the Joint Administrators. In addition, the WageDayAdvance and Juo Loans brands have not been purchased and remain with CTL. Following the Joint Administrators' appointment, CTL will not make any new loans.

Howard Smith and Ed Boyle were also appointed as Joint Administrators of SRC Transatlantic Limited on 25 February 2019. SRC formerly traded from a small number of high-street stores under the brand Speedy Cash, which stopped lending in 2017. The business and assets of SRC (including its loan book) were not included in the sale to Shelby.

**A list of FAQs not relating to the payment of the dividend is provided for your information below.**

**Our Customer Service Centre closed at 5pm on Friday 28 August 2020. We are unable to respond to any further customer queries, by email or otherwise.**

## Customers

### 1. Has my loan been purchased by someone else?

Immediately following their appointment, the Joint Administrators concluded a sale of the business and certain of the assets of CTL to Shelby Finance Limited, an unconnected purchaser ("Shelby"). As part of this sale, a portion of CTL's outstanding loan book was purchased by Shelby.

A separate sale of CTL's remaining customer loan book was also concluded with Lantern Debt Recovery Services Limited ("Lantern").

If your loan has been sold to Shelby, you should have received an email from the Joint Administrators to confirm this, as well as a welcome email from Shelby. Both emails were sent to customers whose loans are now owned by Shelby on 26 February 2019.

Those customers whose loans were not previously sold to Shelby but whose loans have now been purchased by Lantern have been sent a 'goodbye' email by the Joint Administrators informing them of the purchase by Lantern. These emails were sent by the Joint Administrators at the beginning of May 2019, and will be followed by a separate 'welcome' email sent by Lantern, who will be administering these loans going forwards.

### 2. Has Shelby bought the WageDayAdvance and Juo Loans brand names?

Shelby have purchased the business and certain of the assets of CTL, including a portion of CTL's loan book. Lantern have also purchased a portion of CTL's loan book.

Neither Shelby nor Lantern have purchased the WageDayAdvance and Juo Loans brand names.

The WageDayAdvance and Juo Loans brand names remain with CTL, under the control of the Joint Administrators. Following the Joint Administrators' appointment, CTL will no longer make any new loans to customers.

Please note, neither Shelby nor Lantern have purchased CTL as a company or legal entity (i.e. by way of a share purchase). CTL remains in Administration under the control of the Joint Administrators.

### 3. Can you transfer my loan without my permission?

Under the standard terms and conditions that accompanied the loans made prior to the Joint Administrators' appointment, CTL is able to transfer a customer loan to a purchaser without prior consent from the customer.

If you were a customer of CTL and your loan has been sold to Shelby or Lantern, you should have received an email from the Joint Administrators to confirm this.

The Joint Administrators sent an email on 26 February 2019 to customers whose loans are now owned by Shelby, and Shelby sent a 'welcome' email to these customers on the same day.

The Joint Administrators sent an email in early May 2019 to CTL customers whose loans are now owned by Lantern.

#### 4. Will I incur further interest and charges?

If your loan did not transfer to Shelby and remained with CTL immediately following the Joint Administrators' appointment, its balance was frozen on appointment of the Joint Administrators (25 February 2019) and no further interest or charges are accruing. This remains the case if your loan has subsequently been sold to Lantern or has been written-off.

#### 5. Can I continue to pay off my loan by bank transfer or standing order?

If your loan has been purchased by Shelby or Lantern, you should contact them with any queries regarding the payment of your loan.

CTL is no longer accepting any payments against loans that were not sold, as all such remaining loans have been written-off.

#### 6. I have tried to make a payment against my outstanding loan balance by cheque, but my payment hasn't been allocated to my loan account. Will my cheque be accepted?

Unfortunately, as a result of the Administration, any cheques that have been received by CTL in the period following the Joint Administrators' appointment (25 February 2019) cannot be cashed and will be securely destroyed by the Joint Administrators. If you have attempted to make a payment against your loan by cheque since 25 February 2019, this payment attempt has been unsuccessful.

If your loan has been sold to Shelby or Lantern, you may need to still make further payments against your loan balance, and you will have been contacted by Shelby or Lantern who will administer your loan going forwards.

#### 7. Will my credit history be affected if I have been unable to make my regular payments against my loan, following the administration?

The Joint Administrators have previously reported the position as at the date of their appointment (25 February 2019) to the credit reference agencies that CTL worked with. The Joint Administrators have also now submitted final reports to the credit reference agencies in relation to:

- Loans that have been sold;
- Loans that have been paid in full by customers since 25 February 2019;
- Loans that have been written-off since 25 February 2019; and
- Redress due to customers in respect of previous loans made by CTL, as identified by CTL's Claims Calculator.

Please note, where loans have been identified by the Claims Calculator as being unaffordable or in respect of which redress is due, we have requested that these loans are removed from customers' records with the credit reference agencies.

In addition, as some customers were not able to make payments by their usual payment method since the administration date, the Joint Administrators froze all interest and charges on outstanding loan balances with effect from 25 February 2019.

Customers' credit files should now reflect the final status of their loans, and we do not anticipate that any customers' credit history will be adversely impacted as a result of the administration of CTL.

## 8. I have received a payment into my bank account from CTL in October 2019 or mid-January 2020 - what does this relate to?

It has been identified that a number of customers made an overpayment to CTL in relation to a loan, following the appointment of the Joint Administrators (25 February 2019). Refunds have been processed to customers who have been identified as previously making overpayments of £1.00 or more.

The reasons for the overpayments that we have received include:

- Customers having made a payment that exceeds their remaining loan balance, after 25 February 2019;
- Customers who received a balance adjustment against their loan in respect of redress, having made a payment that exceeds their adjusted loan balance;
- Payments made by customers following 25 February 2019 against loans which have been written-off by the Joint Administrators; and
- Payments made by customers following 25 February 2019 against loans which were written-off by CTL prior to the Joint Administrators' appointment.

Emails have been sent to all customers that are receiving a refund in relation to an overpayment against a loan with CTL, to inform them of this refund. Refunds have now been processed into affected customers' bank accounts (using the bank details that we hold on file).

### *Creditors and potential redress claims*

Please see the Dividend FAQ document at [www.kpmg.co.uk/curo](http://www.kpmg.co.uk/curo) for more detailed information regarding the payment of dividends.

## 9. I have missed the deadline for submitting my claim in the Administration - can I still submit a claim?

The deadline for customers to submit redress claims in the Administration has now passed and a first and final dividend of 5.68 pence in the pound was declared on 20 May 2020.

No further claims will be considered by the Joint Administrators, as the first dividend has been finalised, and there are insufficient funds to declare and pay a second dividend.

## 10. How do I know if I am entitled to claim redress?

Customers who were identified as being potentially entitled to redress from CTL, using CTL's Claims Calculator, were contacted by the Joint Administrators to inform them of their potential claim in the Administration, by email.

A deadline for customers to submit redress claims in the Administration was set as 23:59 hours on 31 August 2019. Reminder emails were sent to all customers identified as potentially have an unsecured redress claim in the Administration, who were yet to submit a claim, in the week commencing 29 July 2019.

**On 20 May 2020 a first and final dividend of 5.68 pence in the pound was declared and paid to all unsecured creditors of CTL with an agreed claim in the Administration.**

**No further claims will be considered by the Joint Administrators, as the first dividend has been finalised, and there are insufficient funds to declare and pay a second dividend.**

## 11. How were redress claims calculated?

Prior to the administration, CTL undertook significant work to identify and calculate potential customer redress claims and has reflected feedback from the Financial Conduct Authority (FCA) in its methodology. This methodology has not been reviewed or approved by the FCA.

Information on the claim calculation method which CTL developed – the Claims Calculator – can be found in the Joint Administrators' proposals, which are available to view and download at [www.kpmg.co.uk/curo](http://www.kpmg.co.uk/curo).

Customer redress claims against CTL have been estimated as the largest of:

1. The estimated redress entitlement per CTL's Claims Calculator;
2. The value of redress assessed by CTL and issued under a Final Response Letter prior to 25 February 2019; or
3. The value of redress determined by the Financial Ombudsman prior to 25 February 2019.

If you were identified as a potential redress creditor of CTL, you will have received an email providing you with an estimate of your potential redress claim and instructions on how to submit a claim to the Joint Administrators. Please note, the deadline for submission of redress claims in the Administration has now passed and a first and final dividend has been declared and paid to unsecured creditors with an agreed claim in the Administration.

## 12. Does my redress estimate include statutory interest at 8%?

If you were identified as being potentially entitled to redress by CTL's Claims Calculator, your estimated redress claim includes statutory interest at 8% if you have previously made repayments to CTL against your loan (including interest and charges), totalling more than the value of the loan that you originally took out.

For example:

If you previously took out a loan of £200 from CTL which you are entitled to redress against, and you have made repayments to CTL (including interest and charges) totalling £250 prior

to 25 February 2019, then statutory interest at 8% will be applicable against a value of £50 – the amount of repayments made over the original value of your loan.

If statutory interest is applicable, it will have accrued from the date that your repayments to CTL exceeded the value of your loan, up until 25 February 2019.

Statutory interest no longer continues to accrue on your redress claim following the Joint Administrators' appointment (25 February 2019).

### 13. How can I submit a claim against CTL in the Administration?

A deadline for customers to submit redress claims in the Administration was set as 23:59 hours on 31 August 2019. Reminder emails were sent to all customers identified as potentially having an unsecured redress claim in the Administration, who were yet to submit a claim, in the week commencing 29 July 2019.

**On 20 May 2020 a first and final dividend of 5.68 pence in the pound was declared and paid to all unsecured creditors of CTL with an agreed claim in the Administration.**

**No further claims will be considered by the Joint Administrators, as the first dividend has been finalised, and there are insufficient funds to declare and pay a second dividend.**

### 14. I made a complaint against CTL before it entered administration – what happens to my complaint?

Customers who had made a complaint against CTL prior to it entering into administration on 25 February 2019 were contacted by the Joint Administrators by email, to invite them to submit a redress claim in the Administration, prior to the claim submission deadline of 23:59 hours on 31 August 2019. This included customers awaiting a response to their complaint, customers who had received a 'final response letter' from CTL with an offer of redress but had not yet received payment, and customers who had taken their complaint to the FOS.

**On 20 May 2020 a first and final dividend of 5.68 pence in the pound was declared and paid to all unsecured creditors of CTL with an agreed claim in the Administration.**

**No further claims will be considered by the Joint Administrators, as the first dividend has been finalised, and there are insufficient funds to declare and pay a second dividend.**

### 15. Can I make a complaint to the Financial Ombudsman in relation to previous loans?

The Joint Administrators have been in dialogue with the Financial Ombudsman to understand what impact the Administration has on any new complaints referred to the Financial Ombudsman during the Administration, and on any existing complaints that it may be dealing with.

Following the appointment of the Joint Administrators, all cases received by the Financial Ombudsman in relation to CTL will now be dealt with by the Joint Administrators. In addition, the Financial Ombudsman will not further progress any existing complaints against CTL.

Whilst customers still have a right to refer an affordability complaint to the Financial Ombudsman, it will now be the Joint Administrators who will determine whether a complaint should be upheld and whether a customer with an upheld complaint should be treated as an unsecured creditor in the Administration.

The Financial Ombudsman have agreed to forward any complaints received against CTL to the Joint Administrators.

**However, please note that on 20 May 2020 a first and final dividend of 5.68 pence in the pound was declared and paid to all unsecured creditors of CTL with an agreed claim in the Administration.**

**No further claims will be considered by the Joint Administrators, as the first dividend has been finalised, and there are insufficient funds to declare and pay a second dividend.**

## 16. Why has a provisional or final adjustment been applied to my outstanding loan balance?

All CTL customers who were identified as being potentially entitled to redress were sent an email in April 2019, providing details of their estimated redress claim.

Those customers with outstanding loan balances at 25 February 2019, who were potentially entitled to redress, were provided with provisional balance adjustments to their outstanding loan balances to reflect their estimated redress entitlement.

Prior to the Joint Administrators' appointment, CTL carried out extensive work to identify and calculate such potential redress claims using a principles-based approach in a model and reflected feedback received from an independent Skilled Person appointed under section 166 of the Financial Services and Markets Act 2000, and from the FCA, into its methodology. This has not been reviewed or approved by the FCA.

Further details of this methodology – CTL's Claims Calculator – are contained within the Joint Administrators' proposals, which are available to view and download at [www.kpmg.co.uk/curo](http://www.kpmg.co.uk/curo).

Originally, for technical reasons, the Joint Administrators' balance adjustments could only be made provisionally. However, following permission from the High Court for the Joint Administrators to agree creditor claims in the Administration and to make payments to creditors, the Joint Administrators were then able to issue a notice of proposed distribution. As a result of this notice having been issued, the Joint Administrators were able to finalise the provisional balance adjustments that were previously communicated to customers.

Customers who have been identified as being entitled to redress by CTL, and have had a balance adjustment applied to their outstanding loan, have been contacted by email to provide confirmation that their balance adjustment has now been finalised (i.e. is no longer provisional).

Customers whose loans were written-off as a result of a balance adjustment may have had a potential claim in the Administration for the amount of any redress claim in excess of the value of their balance adjustment. These customers were provided with an estimate of their unsecured claim in the Administration and were invited to submit their claim before the claim submission deadline of 23:59 hours on 31 August 2019.

Provisional balance adjustments were finalised prior to the sale of CTL's remaining loan book to Lantern. Customers whose loans have transferred to Lantern will therefore have already had any identified balance reduction applied to their loan before it was sold to Lantern.

## 18. How often will you contact me in future?

We do not anticipate that there will be any further emails to creditors during the Administration.

We will be providing all outstanding updates on our website, [www.kpmg.co.uk/curo](http://www.kpmg.co.uk/curo). This will include any further progress reports for the Administration.

The affairs, business and property of the Companies are being managed by the Joint Administrators

Howard Smith and Ed Boyle are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

CTL is authorised and regulated by the Financial Conduct Authority. CTL FCA reference number 672831. Registered office number 04179322.

SRC is authorised and regulated by the Financial Conduct Authority. SRC FCA reference number 678042. Registered office number 07225997.

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We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [home.kpmg/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html](http://home.kpmg/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html).